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JORDAN FISCAL REFORM II PROJECT

Quarterly Report

May – July 2012

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JORDAN FISCAL REFORM II PROJECT QUARTERLY REPORT

MAY - JULY 2012

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ACRONYMS

ACED	Aqaba Community Development, a USAID project
ACH	Amman Customs House
ACD	Aqaba Customs Department
ACH	Amman Customs House
ADG	Assistant Director General
API	Autonomous Public Institution
ASYCUDA	Automated System for Customs Data
ASEZ	Aqaba Special Economic Zone
CAMA	Computer Assisted Mass Appraisal system
CBA	Cost Benefit Analysis
CBJ	Central Bank of Jordan
CCN	Cooperating Country National (i.e., Jordanian)
CIT	Corporate Income Tax
CITS	Comprehensive Integrated Tariff System
CMU	Complaints Management Unit
COA	Chart of Accounts
COP	Chief of Party
COTR	Contracting Officer's Technical Representative
CPU	Capital Projects Unit
DCOP	Deputy Chief of Party
DG	Director General
DLS	Department of Lands and Survey
DNG	DAI/Nathan Group
EDP	Economic Development Project, USAID
EOI	Expression of Interest
ERP	Enterprise Resource Planning
FIR	Functional and Institutional Review
FRP II	Fiscal Reform Project II
GATT	General Agreement on Tariffs and Trade
GBD	General Budget Department
GFMIS	Government Financial Management Information System
GL	Golden List
GOJ	Government of Jordan

GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HE	His/Her Excellency
HPC	High Procurement Board
HR	Human Resources
IMF	International Monetary Fund
HCDM	Human Capital Development and Management
HJC	Higher Judicial Council
ICT	Information and Communication Technology
IEF	Innovation and Excellence Fund
ISTD	Income and Sales Tax Department
IT	Information Technology
ITIL	Information Technology Infrastructure Library
JC	Jordan Customs
JCA	Jordan Customs Academy
JFDA	Jordan Food and Drug Administration
JSMO	Jordan Institution for Standards and Metrology
KAA	King Abdullah II Award
KACE	King Abdullah II Center for Excellence
KPI	Key Performance Indicator
LOE	Level of Effort
LTTA	Long-term Technical Assistance
M&E	Monitoring and Evaluation
MOA	Ministry of Agriculture
MOE	Ministry of Education
MOF	Ministry of Finance
MOICT	Ministry of Information and Communication Technology
MOJ	Ministry of Justice
MOPSD	Ministry of Public Sector Development
MOPWH	Ministry of Public Works and Housing
MOU	Memorandum of Understanding
MOT	Ministry of Transportation
MPA	Mega Projects Administration
MTDS	Medium Term Debt Strategy
MTFF	Medium Term Fiscal Framework
MTO	Medium-size Taxpayer Office

NAF	National Aid Fund
NCC	National Contact Center
OAT	Operational Acceptance Testing
PCA	Post Clearance Audit
PDD	Public Debt Department
PEP	Public Expenditure Perspectives
PFM	Public Financial Management
PGA	Partner Government Agencies
PICARD	Partnership in Customs Research and Development
PIT	Personal Income Tax
PMEP	Performance Monitoring & Evaluation Plan
PMRS	Performance Monitoring and Review System
PPP	Public-Private Partnership
PSD	Public Sector Development
RFC	Regional Financial Center
RFP	Request for Proposal
ROB	Results-Oriented Budgeting
ROG	Results-Oriented Government
SAFE	WCO Framework of Standards to Secure and Facilitate Global Trade
SDI	Service Delivery Improvement
SEPD	Studies and Economic Policy Department
SG	Secretary General
SMART	Specific, Measurable, Achievable, Relevant, Time-bound
SOW	Scope of Work
STTA	Short-term Technical Assistance (Advisor)
SW	Single Window
TCN	Third Country National
TOT	Training of Trainers
UN/CEFACT	United Nations/Center for Trade Facilitation and Electronic Business
UNCTAD	United Nations Conference on Trade and Development
USAID	United States Agency for International Development
WCO	World Customs Organization
WTO	World Trade Organization
YEA	Young Entrepreneurs Association

INTRODUCTION AND SUMMARY

The USAID-funded Jordan Fiscal Reform II Project is pleased to present its Quarterly Performance Report for the eleventh quarter covering the period May 1 through July 31, 2012.

The Jordan Fiscal Reform II Project (FRP II) began on November 1, 2009, when USAID and DAI signed the task order contract under the GBTI II Indefinite Quantity Contract. The project is for four years, with one optional year. The entire five-year period concludes on October 31, 2014.

FRP II operates the following six components:

- A. Tax Revenue Mobilization,
- B. Public Financial Management,
- C. Ministry of Finance Capacity and Organization,
- D. Customs Administration and Trade Facilitation,
- E. Results-Oriented Government, and
- F. Government Financial Management Information System (GFMIS).

ORGANIZATION OF THIS REPORT

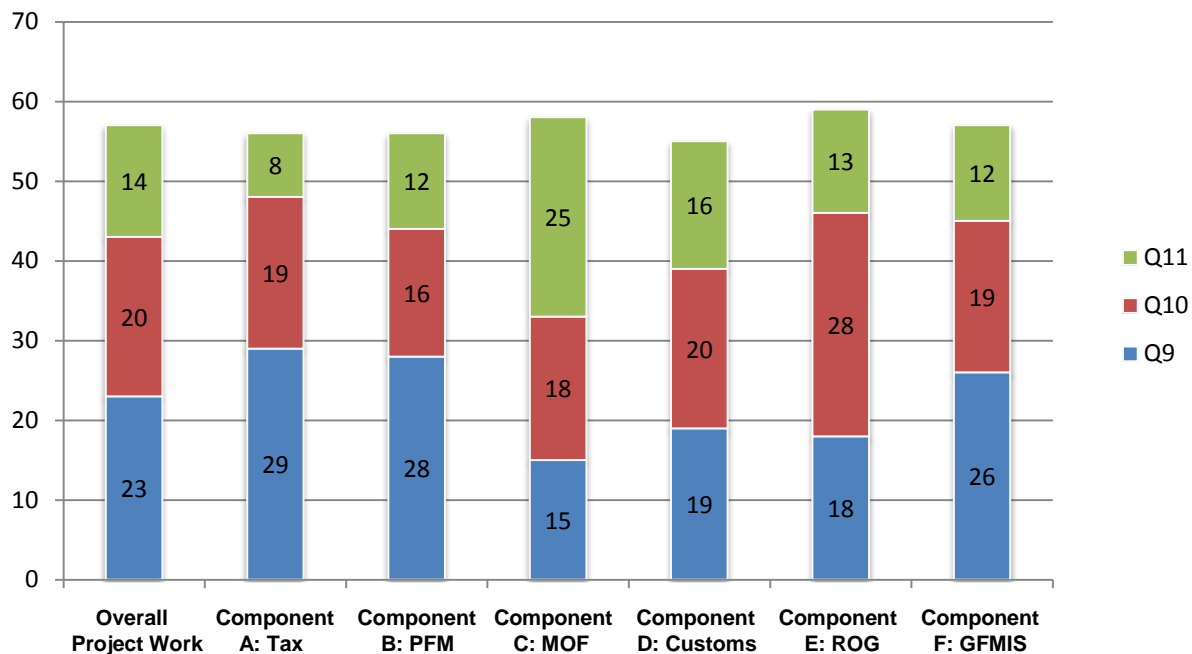
As with prior quarterly reports, this report is organized by the six project components. This report includes Annex I, which lists capacity building events held during the quarter. The introduction to this report includes project highlights and a summary of work accomplished by component compared to the original work plan.

The six component sections discuss significant achievements and activities carried out during the quarter, in addition to work accomplished as compared to the Third Year Work Plan. The percentage of completion of component's main projects can be found in Annex II of the report. Additionally, this report includes a section at the beginning of each component reporting on progress towards Year Three Intermediate Results, which can be reasonably achieved in one year.

OVERALL PROJECT IMPLEMENTATION PROGRESS

We measure the amount of work carried out by the FRP II team in technical areas as compared to the total amount of work planned for the entire work year. The following chart shows that amount of project work performed in this latest quarter as a percentage of that planned for the year. On an overall basis, the project team has completed 57% of the overall annual work plan. It is worth mentioning that FRP II has recently started providing advisory support to the Ministry of Energy and Mineral Resources (MEMR), which was not part of the original work plan. FRP II is currently working on detailing this support and reflecting it in the work plan in order to start monitoring it as of the next quarter.

Rate of Project Work Implementation



KEY PERSONNEL

Mr. Roberto Toso joined FRP II in late July as the new Chief of Party (COP). Mr. Toso is a senior economist with over 30 years of international development experience working on emerging markets, economic policy, public financial management, international trade, and competitiveness strategy. His extensive experience includes consulting assignments for the World Bank, USAID, the Inter-American Development Bank (IADB), UNDP, and the EU in more than 50 countries in Asia, the Americas, Africa, and Europe. Mr. Toso has written numerous economic policy briefs, draft laws, and technical reports. He has also been a regular lecturer and contributor on comparative economic policy reforms, public financial management, and financial sector reforms in emerging countries at international forums and universities.

PROJECT HIGHLIGHTS FROM THIS QUARTER

This section presents just some of the highlights achieved during the eleventh quarter.

Energy Advisory Support

In response to requests from USAID and the U.S. Ambassador, concerned with the growing impact of the energy crisis on Jordan's fiscal position, FRP II moved quickly to provide technical assistance in the energy sector. Coupled with international technical experts, Component Lead Dr. Khalid Al-Hmoud, Capital Project Advisor Mr. Ammar Jarrar, and Junior Economist Ms. Aida Murad provided support to the Ministry of Energy and Mineral Resources (MEMR), in response to USAID's request to channel technical assistance to the Ministry. FRP II now has an office established at MEMR. Paramount amongst FRP II's goals for this assistance is to alleviate the fiscal pressures on the budget coming from the GOJ's energy-related pricing policies, and to build capacity in assessing the economic and financial feasibility of capital projects.

As a start to this assistance, FRP II hired STTA Mr. John Rezaiyan from the 1st of June till the 6th of July 2012 to provide technical support in reviewing and advising several energy approaches that are being considered by the Government of Jordan, including reviewing Expressions of Interests for renewable energy projects. Mr. Rezaiyan met with officials from the U.S. Embassy, USAID, and the Government of Jordan including the Minister and SG of the Ministry of Energy and Mineral Resources to provide advice on various energy projects' viability from a technical, fiscal, and economic perspective.

Furthermore, FRP II STTA Mr. Michael Biddison, an energy expert, arrived on 29 July for a six-month period in order to provide technical and advisory support to the Minister of Energy and Mineral Resources.

Taxpayer Media and Communications

His Excellency Minister of Finance Suleiman Al-Hafez approved the launch of the campaign entitled “Together, We Build Jordan”. The campaign, which started on 10 June 2012 and lasted for five weeks, included TV and radio spots in addition to newspaper ads. The campaign aimed to bring about change in the attitudes of taxpayers towards paying their due taxes voluntarily. It sought to enhance tax compliance among ISTD taxpayers through clarifying perspectives of spending of collected taxes. The campaign supports FRP II's goal of helping taxpayers better understand their obligations and raising tax awareness among taxpayers.



Strengthening Performance Audit at the Audit Bureau

Based on recommendations of FRP II STTA Performance Audit Advisor Dr. Kirk Jonas to the Audit Bureau (AB), three performance audit reports on Governmental Fleet Management, Procurement of Medicine at the Ministry of Health, and Solid Waste Management at Greater Amman Municipality were included in AB Annual Report. Those reports were issued and submitted to the Parliament, and were also publicized on AB's website.

Furthermore, and to build on the experience gained and lessons learned from the three pilot studies, AB President Mr. Mustafa Al-Barrari formed five new teams to conduct studies on Development and Employment Fund, Maintenance of Medical Equipment, Public Transportation Services, National Electric Power Company, and Jordan Airports Company.

Jordan Single Window (SW)/Risk Management Study Tour

To ensure that Single Window/Risk Management trade processing in Jordan continues to make a progress and align with international best practices, a study visit to the Netherlands was conducted between the 6th and 11th of May 2012. There were four participants from the Jordan Customs and one from each of the Tier 1 Partner Government Agencies (JFDA, JSMO and MOA).



After successfully concluding the study tour to the Netherlands, JC participants submitted their report to FRP II and the JC SW committee. The report included findings and recommendations on how to improve Jordan's SW. All participants are collaborating on developing an action plan(s). The action plan(s) will incorporate the application of solutions implemented by the Netherlands concerning Single Window and Risk Management activities, state of the art Single Window processes and procedures, integration of the relationships between public and private sector stakeholders and inter-agency collaboration, and development of communication channels that could have a positive impact on Jordan. The action plan will include suggested measures for the phased implementation of the JSW Vision and Scope.

FRP II WEBSITE ANALYTICS

In this section of the report and subsequent quarterly reports, we present a summary of website traffic during the current and previous reporting period for the English and Arabic sites.

FRP II Website Statistics – English					
	7 th Quarter	8 th Quarter	9 th Quarter	10 th Quarter	11 th Quarter
Total visits	1,113	762	1,174	1,902	1,612
Page Views					
Total page views	5,896	3,635	6,056	5,939	4,416
Average page views per visit	5.3	4.8	5.16	3.12	2.74
Visitor Sessions					
Average time on site	00:05:58	00:05:45	00:07:15	00:07:12	00:04:20
Visitors					
Unique visitors	529	408	545	757	675
Visitors from Jordan	84 %	80%	74.36%	26.10%	69.11%
Visitors from the US	7.1 %	6%	12.35%	57.56%	10.42%
Other visitors	8.9 %	14%	13.29%	16.34	20.47%

FRP II Website Statistics – Arabic				
	8 th Quarter	9 th Quarter	10 th Quarter	11 th Quarter
Total visits	311	289	419	414
Page Views				
Total page views	1,317	1,086	1,596	1,673
Average page views per visit	4.23	3.76	3.81	4.04
Visitor Sessions				
Average time on site	00:06:12	00:07:01	00:04:07	00:03:31
Visitors				
Unique visitors	147	189	265	322
Visitors from Jordan	90%	68.51%	45.27%	72.95%
Other visitors	10%	31.49%	54.73%	27.05%

CROSSCUTTING SUPPORT

In addition to FRP II's six component teams, FRP II's core operations include specialists in outreach, training, event management, IT, and monitoring and evaluation to support the planning, implementation, and evaluation of project activities. This team undertakes a number of activities that directly support the components. These activities are discussed in detail in the relevant components' sections. Other activities are undertaken broadly in support of the project as a whole. These include team and counterpart development, assessments or surveys, outreach efforts and related activities. The major activities carried out in the eleventh quarter are discussed below.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

External Communication Strategies Based on the Principles of Social Marketing

In order to utilize the principles of Social Marketing in developing external communication strategies for the Ministry of Finance, Jordan Customs, and the General Budget Department, a training course was conducted at the Ministry of Finance's Training Center (MOFTC) during the period 4 – 6 June 2012. The training course, which was delivered by FRP II Outreach Advisor Ms. Tulin Bakeer, spanned 18 hours over a period of three working days and was attended by 16 participants representing the aforementioned organizations.



KAA – Continuous Support

KAA Advisors Ms. Eman Balout, Mr. Khalil Dmour, and Mr. Mohammad Humash continued to provide support to FRP II counterparts in areas related to KAA. This included conducting a series of training workshops that aimed at enhancing participants' knowledge and experience in the areas of Employees Empowerment, Employees Job Descriptions, Succession Planning, and Performance Appraisal with special emphasis on linking individual performance to organizational performance. A total of 59 participants, representing Jordan Customs, GBD, ISTD, and MOF, attended the workshops.



COMPONENT A: TAX REVENUE MOBILIZATION

FRP II aims to develop a stronger, more modern tax administration that enforces the law, treats taxpayers with dignity, and operates with lower compliance costs.

COMPONENT EXPECTED RESULTS

Specific long-term expected results under Component A include:

- Taxpayers understand their obligations under the new laws
- ISTD is staffed with well-trained, knowledgeable employees
- Improved taxpayer services
- Increased quality audits conducted
- Fewer Non-Filers and Stop-Filers
- Reduced tax arrears accounts
- Effective anti-fraud program
- Enhanced Information Technology

SMART INTERMEDIATE RESULTS

To achieve these long-term objectives, FRP II Component A established the following list of intermediate results with the intent of completion by the end of year three work. Here, we provide an update on Component A's progress following each intermediate result:

- Greater public awareness of the benefits of the new tax legislation; improved ISTD services; and benefits received from taxes

Measurement: Level of public awareness

Eleventh Quarter Update: Prisma Marketing & Communications completed the design and production of the e-services campaign and the media campaign entitled "Together, We Build Jordan". The media campaign was launched on 10 June 2012 and lasted for five consecutive weeks, while the e-services campaign is still put on hold.

- Improved taxpayer services

Measurement: ISTD taxpayer service surveys; taxpayer feedback sessions; KAA Mystery Shopper assessment

Eleventh Quarter Update: ISTD Customer Satisfaction Assessment result is 68%, and KAA Mystery Shopper Assessment result is 95%.

- Lower cost of taxpayer compliance by better and smarter audits

Measurement: Various Audit KPIs (i.e. % of audits conducted with no tax due)

Eleventh Quarter Update: Latest audit selection percentage for 2010 tax returns is 36% (2% lower). Percentage of VAT audits with no tax due is 90%. Percentage of Income Tax audits with no tax due is 35%.

- Overall improved taxpayer compliance

Measurement: Increased number of registered taxpayers; higher PIT and CIT productivity; high VAT gross compliance ratio

Eleventh Quarter Update: Number of registered taxpayers increased by 30%. PIT productivity is 0.06, CIT productivity is 0.11, and VAT gross compliance ratio is 75%.

- Ease taxpayer burden

Measurement: Timely implementation of cost of compliance recommendations and taxpayer workshop/focus groups recommendations

Eleventh Quarter Update: Cost of compliance survey recommendations were incorporated into ISTD's taxpayer services action plan.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

Tax Policy

Based on requests by the Minister of Finance, Acting Component Lead Mr. Atef Al-Momani contributed to developing five policy recommendations on lifting government subsidy off certain goods, reducing tax arrears, cigarettes taxation and calculating tax productivity figures and progressivity of Income Tax. Furthermore, and based on a request by USAID COTR Dr. Ruba Jaradat, Mr. Al-Momani met with Dr. Pete Moor, who is an American Academic Economic Researcher working for an American university. Dr. Moor was searching for comparative information on the breakdown of tax revenue by sector to compare with other countries in the region like Egypt. He met with Mr. Al-Momani to cover a number of tax policy issues. Based on another request by the ISTD Director General Mr. Riad Shreideh, Mr. Al-Momani provided ISTD with a brief about FRP II's support to ISTD for discussion with the Ministry of Planning on grants provided to Jordan by the different donors. Mr. Al-Momani also contributed to drafting top priority recommendations for the Ambassador regarding tax policy and administration.

Component A tax team met with the US Treasury Mission visiting ISTD between 27 and 31 May 2012 to discuss a number of issues regarding tax administration and policy, as well as FRP II's results in the last period. Mr. Al-Momani also participated in meetings with the EU and IMF Missions visiting Jordan on a number of tax administration and policy issues.

As a part of the sustainability plan, ISTD acting DG formed a committee to review and update the Benchmarking Report developed by FRP II in early 2010.

Taxpayer Media and Communications

His Excellency Minister of Finance Suleiman Al-Hafez approved the launch of the campaign entitled "Together, We Build Jordan". The campaign, which started on 10 June 2012 and lasted for five weeks, included TV and radio spots in addition to newspaper ads. The launch of the e-services campaign is still on hold based on request by the Ministry of Finance Secretary General Mr. Omar Al-Zoubi. The ISTD Media Director Mr. Mosa Al-Tarawneh stated that ISTD is not ready yet to launch the e-services campaign.



The Minister of Finance officially approved holding the ninth "Tax Authorities in the Islamic Countries Conference (ATAIC)" in Jordan. FRP II is supporting this conference, which is scheduled for September/October 2012, and has provided ISTD with the hotel capacity requirements and a draft event action plan. A number of meetings took place between ISTD and FRP II to agree on roles and responsibilities, type of assistance, and contribution of each party. This was followed by a tailored Event Management training session, which was conducted by FRP II Outreach Advisor Ms. Tulin Bakeer for ISTD's relevant staff to reinforce sustainability and transfer of knowledge to FRP II counterparts.

Taxpayer Service

ISTD lead instructors Mr. Shadi Abu Abbas and Ms. Mayadah Al-Azab conducted another successful "Basic Taxpayer Service Techniques" training during the period 22-24 May 2012. The training was conducted at North Amman-STO Ahl Al Azm, and made effective use of this

non-headquarters ISTD training hall, reaching out and empowering STO-Office and employees in the branches.

Mr. Abu Abbas enriched the training by videotaping his colleagues and using a prepared scenario for an outstanding service, which proved to be an effective training tool. The video was reviewed by FRP II Senior Training Advisor Ms. Hayat Al-Bow, who recommended a suggested dialogue to be built with the participants for discussion as well as integrating the new additions into the training curriculum. The evaluation of the training was excellent.

Mr. Al-Momani discussed with ISTD Director General the status of the Taxpayer Service Management Directorate that was established in 2011. The DG is in favor of shifting the taxpayer services management function to the Tax Compliance Directorate instead of having a separate unit tackling taxpayer services issues. ISTD has already established the Taxpayer Services Management Directorate based on FRP II's recommendations. FRP II highly recommends keeping the separate directorate, providing it with more resources, and giving it more attention to play its normative role of planning, monitoring and evaluation

Reduce Non-filers, Stop-filers and Tax Arrears

Recent statistics show that tax revenue continues to rise, as it increased by 20% in the first quarter of 2012 compared to the same period in 2011. Sales tax filing compliance rate, furthermore, reached 95%. To help maintain the increase in tax revenue, FRP II continues to support ISTD in training more of its employees on collection procedures, delivered mainly by Debt Management Director Mr. Ayyed M. and Mr. Zaidan O. Two sessions were conducted, on 12 May for ISTD Operational Managers and on 19 May for Operational Directors. Based on Ms. Al-Bow's recommendations, ISTD reached out to all concerned employees, starting with those who implement the procedure, going through managers and finally directors. In addition, the nominations for attending this training are determined based on consultations with ISTD district offices and thus rely on recipients' buy-in.

ISTD requested FRP II's support in designing a new media campaign targeting sales tax non-filers. Accordingly, the media team represented by Mr. Al-Momani, Ms. Bakeer, and Mr. Mousa Al-Tarawneh from ISTD met with Prisma Marketing & Communications to discuss this future initiative. The expectation out of this proposed campaign is 20% increase in sales tax registrations. Prisma stated that they are willing to design the campaign but looking for funding. The issue is under consideration and needs further discussion.

Anti-Fraud

The series of anti-fraud awareness training sessions for ISTD auditors was completed. Four sessions took place during this quarter on 12 May, 23 June, 30 June, and 7 July 2012 targeting Zarqa, Trade 2, Industrial, and LTO Offices respectively. ISTD instructors Mr. Ali Abu Rumman, Mr. Mohammed Batayneh, and Mr. Fadel Lababneh conducted the training at the HQ Hashemite Hall and North Amman Ahl Al Azm Hall. The feedback received from participants was very positive and was used as an input for cooperation with Jordan Customs and the Audit Bureau to limit fraud. Accordingly, a meeting comprising representatives from Jordan Customs, ISTD, and FRP II was held on 8 July 2012. The meeting was chaired by ISTD Director General Mr. Riad Shreideh and FRP II Acting COP Ms. Cristina Erickson. Topics discussed were import sales tax deferred payments, import permits, and export release. The audience recommended to eliminate deferred payments, give import permits based on tax clearance, more control over export declarations, and more on-line cooperation between ISTD and Jordan Customs.

Information Technology (IT)

ISTD officially acknowledged receipt of the new Hardware provided by FRP II. The data center remodeling vendor (JDS) fixed the cameras and security system, and thus completed its contracted work. The HP maintenance provider replaced the default spare part in one of the new servers, which is now up and running.

FRP II IT Advisor Mr. Firas Al Sheikh addressed JDS to finalize pending issues at the data center at ISTD site such as the wall painting, access door maintenance, fire system operating and training, etc. Work is still in progress.

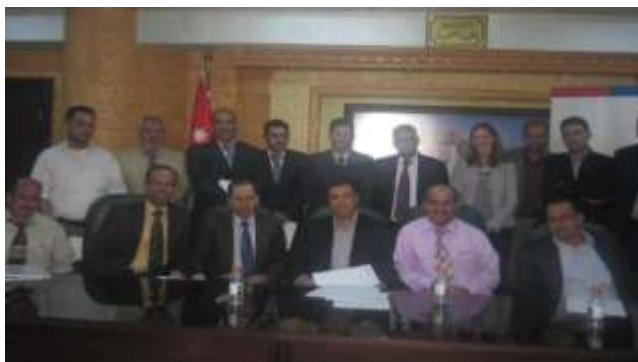
Human Resources

KAA Advisor Mr. Khalil Dmour finalized ISTD HR report. It was then reviewed by Mr. Al Momani and submitted to ISTD Director General. The report included a number of recommendations that aimed at improving the HR situation at ISTD.

Furthermore, the Employee Satisfaction workshop, which was due on 21 May, was conducted on 4 June 2012 as a part of the Service Delivery Improvement (SDI) Toolkit. The workshop was conducted by Mr. Dmour in conjunction with Mr. Hussein Surkhi and Mr. Oqla Attiyyat from ISTD.

Strengthen Audit

The Sales Tax Audit Techniques training was conducted between 6 and 10 May 2012 by ISTD senior LTO auditors, Mr. Omar AL-Shiyab, Mr. Wasfi Tarawneh, and Mr. Aktham Batarseh. The team developed the training material, which would be the core of an anticipated comprehensive training manual on Sales Tax Audit. The training was well-received and participants evaluated the training content at 3.5 out of 4, and the trainers at 3.8 out of 4.



As part of the sustainability plan, Mr. Al-Momani submitted a memo to ISTD Director General recommending the re-formation of the core sales tax team and the activation of the insurance tax audit team to develop the sales tax audit techniques and insurance audit techniques materials and deliver training sessions for all ISTD auditors in these fields. The memo was forwarded by the Director General to the HR Department and LTO Director for action.

King Abdullah II Award (KAA) Activities

As part of FRP II continuous support to ISTD in relation to KAA, ISTD instructors: KAA Processes Criterion Lead Dr. Ziad Wraikat, and Leadership Criterion Lead Mr. Hussein Surkhi conducted a training session on Customer Satisfaction Feedback on 7 May 2012 as a part of the Service Delivery Improvement Toolkit. This activity was led by Mr. Dmour who also conducted daily extensive meetings with the Government Service Excellence Award team who submitted the report to KACE on 26 June 2012. Mr. Dmour also conducted an Employee Satisfaction training session on 21 May in addition to three cross-cutting workshops in the field of institutional performance, empowerment, and succession planning on 11, 25, and 27 June respectively.

During a meeting with the KAA Criteria Leads, Mr. Dmour stressed the importance of benchmarking with other KAA successful institutions in Jordan. Accordingly, ISTD undertook field visits to a number of institutions to benefit from their expertise in this field. Also, Mr. Dmour developed a draft succession plan for ISTD, which was reviewed by Mr. Al-Momani and submitted to ISTD for review. Mr. Dmour also developed a list of ISTD male and female employees categorized by technical and administrative positions as part of a gender equity report that is being prepared.

SCHEDULE OF WORK PROGRESS AGAINST PLANNED ACTIVITIES

The following table includes the scheduled activities' completion dates for all the assistance planned during the third year work period. In the comments section, tasks are listed as complete, in process, postponed, cancelled, or obviated. Obviated tasks were subsumed into other FRP II activities, or made unnecessary due to changing realities or approaches.

COMPONENT A: TAX REVENUE MOBILIZATION TASKS AND ACHIEVEMENTS

Work Area	Planned Delivery Date	Comments
REDUCE COST OF COMPLIANCE	Oct-12	
Participate in an ISTD committee to implement the survey recommendations	Mar-12	Complete
Assist the committee in developing an action plan to reduce cost of compliance	Apr-12	Complete
Submit action plan to ISTD Director General for approval	May-12	Complete
Assist ISTD in implementing the action plan	Oct-12	In Process
Assess action plan results and issue report to the ISTD Director General	Oct-12	
TAX POLICY	Oct-12	
Provide on-going tax policy assistance to ISTD	Oct-12	In Process
Assist the ISTD committee responsible for the development of tax law informational guidelines and publications	Oct-12	In Process
TAXPAYER MEDIA AND COMMUNICATION	Oct-12	
Assist ISTD in implementing the taxpayer awareness campaign	Oct-12	Complete
Monitor vendor's performance to ensure taxpayer awareness campaign deliverables are met	Oct-12	Complete
Assist in implementing an ISTD media center	May-12	Postponed
Provide support to ISTD taxpayer educational sessions	Oct-12	In Process
Support the ISTD in hosting the Association of Tax Authorities of Islamic Countries Conference	Sep-12	In Process
TAXPAYER SERVICE	Oct-12	
Implement a pilot single-window service in an ISTD office	Jun-12	Postponed
Evaluate single-window pilot	Jul-12	
Develop a plan to roll out single-window service across ISTD	Aug-12	
Establish a pilot modernized taxpayer service walk-in area	Jun-12	Postponed
Obtain approval of telephone call center business case	Nov-11	Postponed
Implement telephone call center business case requirements	Apr-12	Postponed
Assist in developing a question and answer tax laws data base	Jan-12	Postponed
Assist in developing a tax guide for Parliament and government officials	Mar-12	Cancelled
Assist in developing a new business taxpayer education program	Jan-12	In Process
Assist in developing a taxpayer services guide	Jul-12	Complete
Assist in developing taxpayer education material	Aug-12	In Process

Work Area	Planned Delivery Date	Comments
Assist in developing an ISTD organization guide	Dec-11	Complete
Support implementation of e-services	May-12	Complete
Conduct two courses entitled Taxpayer Service Techniques	May-12	In Process
Conduct a course entitled "Effective Communication Techniques"	Jul-12	
Assist in establishing the newly created Taxpayer Service Directorate	Oct-12	Complete
REDUCE NON-FILERS AND STOP-FILERS	Jun-12	
Provide on-going assistance and advice to complete ISTD-wide implementation	Mar-12	Complete
Conduct two courses entitled "Effective Communication Techniques for Collectors"	Jun-12	
REDUCE TAX ARREARS	Oct-12	
Provide on-going assistance and advice to complete ISTD wide implementation	Oct-12	Complete
Conduct two courses entitled "Effective Communication Techniques for Collectors"	Sep-12	
Develop PAYE control procedures	Mar-12	Complete
Conduct training for new PAYE procedures	Mar-12	Cancelled
ANTI-FRAUD	Oct-12	
Develop anti-tax fraud manual	Mar-12	Cancelled
Provide anti-tax fraud awareness training for all ISTD auditors	May-12	Complete
Assist in establishing a forensic unit	Oct-12	
Assist in developing criteria to select anti-fraud auditors	May-12	In Process
INFORMATION TECHNOLOGY	Oct-12	
Implement IT hardware, software and data center enhancements	May-12	Complete
Continue assistance in implementing the KPIs portal	Jan-12	Complete
Assist in implementing IT security policies and procedures	Sep-12	In Process
HUMAN RESOURCES	Oct-12	
Assist in the development of a comprehensive performance management system	Oct-12	In Process
Support the ISTD in conducting a performance management program workshop	Oct-12	
Assist in implementing a performance management program	Oct-12	

Work Area	Planned Delivery Date	Comments
Provide ongoing assistance and advice to ISTD in implementing organizational changes	Oct-12	In Process
ISTD CROSS CUTTING TRAINING	Oct-12	
Complete the West Amman training/conference center	Mar-12	Complete
Conduct four 1-day senior management training sessions	Oct-12	
Conduct three presentation skills training sessions	Oct-12	In Process
STRENGTHEN AUDIT	Oct-12	
Provide support to the ISTD audit manual committee	Mar-12	Complete
Provide support to improve the Audit Tracking System (ATS)	Jan-12	Complete
Provide support to improve the audit case selection program	Mar-12	Complete
Conduct three courses entitled Communication Techniques for Auditors	Oct-12	
Provide support to ISTD to develop sales tax audit technique	Oct-12	Complete
Conduct two pilots for sales tax audit technique	Mar-12	In Process
Conduct three Sales Tax audit techniques training classes for auditors	Oct-12	
Conduct tax law training for court judges	Jun-12	
Develop tax audit of insurance industry training material	Oct-12	In Process
Conduct tax audit of insurance industry training	Oct-12	
KAA ACTIVITY		
Assist ISTD in developing a remedial KAA action plan for the KACE evaluation report	Nov-11	Complete
Assist ISTD in meeting KAA criteria for outstanding employees	Oct-12	In Process
Assist ISTD in meeting mystery shopper requirements	Oct-12	Complete
Conduct mystery shopper training	Dec-11	Complete
Assist ISTD in developing KAA submission report	Oct-12	In Process
Conduct KAA orientation sessions to familiarize ISTD with any new KAA amendments	Jun-12	Complete
Support assessor/auditor training for KAA	Jul-12	
Conduct KAA assessor workshop	Sep-12	
Conduct training needs assessment workshop	Jan-12	Complete
Conduct SWOT analysis training	Jan-12	Complete
Conduct two sessions to review ISTD vision & mission	Nov-11	Complete

COMPONENT B: PUBLIC FINANCIAL MANAGEMENT

This section reports on the activities of the Component B Public Financial Management (PFM) Team during the last quarter.

COMPONENT EXPECTED RESULTS

Expected results of the PFM Component include:

- ROB knowledge and application deepened throughout Government of Jordan
- Strategic planning and analysis better informs budget preparation
- Budget format and reporting refined
- Budget and performance data used to ensure accountability
- General Budget Department (GBD) scores more competitively in competition for King Abdullah II Award (KAA).

SMART INTERMEDIATE RESULTS

To achieve these long-term objectives, FRP II Component B established the following list of intermediate results, aiming to achieve them by the end of year three work. Here, we provide an update on Component B's progress following each intermediate result:

- 15 funding recommendations for the reallocation of budget resources to more efficient, effective and responsive activities in 2012 budget
Eleventh Quarter Update: None.
- 3 policy recommendations proposed in the Public Expenditure Perspectives book are adopted
Eleventh Quarter Update: Budget Calendar and forms are still under review and should be finalized for the 2013 budget process.
- KPI results evaluated and analyzed by GBD as part of the budget preparation process for at least 5 line ministries
Eleventh Quarter Update: A KPI training course was delivered to seven PEP ministries in support of the 2013 budget process. After the training course was completed, FRP II followed-up with a number of ministries on their respective KPIs, developing comparison tables of their current and proposed KPIs and providing them with a list of USA equivalent counterparts for benchmarking purposes. The remaining ministries are scheduled to receive the same follow-up during the second month of the next quarter.
- 30% increase in the score resulting from KAA assessment of GBD
Eleventh Quarter Update: None.
- Two performance audit reports are issued and submitted to the Parliament by AB
Eleventh Quarter Update: Three performance audit reports were issued and submitted to the Parliament and the Prime Minister.
- Six quality management procedures are approved and issued by AB
Eleventh Quarter Update: None.
- IFC training package is prepared and ready for use.
Eleventh Quarter Update: None.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

During the eleventh quarter, Component B achieved considerable progress, both in terms of addressing ways to increase the analytical capacity of the GBD, and in reaching out to new partners in the Audit Bureau. Some of the activities carried out during the quarter are discussed here, and the worktable below records all progress.

Budget Analysis Unit

In order to enhance knowledge and build skills of GBD staff in the macroeconomic framework of budget analysis, and based on close consultation with the GBD on training needs, FRP II Senior Policy Analyst Mr. Jamal Humsi conducted a two-phase training course on "Macroeconomic Indicators and their Budget Applications" at the GBD premises. This course was held during the period from the 15th to the 23rd of May 2012. Each phase spanned over eight hours and was attended by 40 participants who were mainly budget analysts and sector leads.

Mr. Humsi also conducted a training course on "Statistical Analysis Using Excel and SPSS" at the Ministry of Finance's Training Center (MOFTC) during the period from the 19th till the 21st of June 2012. The training course, which is considered an integral part of the MOFTC Public Accountant Program (PAP), spanned 15 hours over a period of three working days and was attended by 20 participants representing a number of government ministries and departments.

Mr. Humsi also prepared the Budget in Brief for 2012 in Arabic, drafted the "Budget and Policies and Priorities Paper (BPPP)" for 2013-2015, and fully reviewed and revised the General Budget Department's Annual Report for 2011. He also developed a summary performance matrix on Jordan's progress in implementing the PFM action plan articulated in the 2011 IMF Public Financial Management Reforms Report.

In addition, Mr. Humsi continued supervising and training the interns at the BAU, mainly in preparing a database for macroeconomic and fiscal developments, estimating MOH total expenditures on preventive healthcare, and preparing tables and statistics on gender expenditures for 51 ministries and departments for 2010-2014.

Performance Evaluation Study Tour

Efforts are being made to reschedule the study tour for Autumn after going through uncontrolled circumstances that led to cancelling it earlier this year. FRP II, in close collaboration with GBD, have already identified GBD staff to participate in the tour. Budget Reform and Capacity Building Advisor Mr. Steve Leeds has also identified the US government agencies, which are equivalent to the PEP ministries. Key staff in the US agencies (i.e., budget directors, program managers, and performance evaluation specialists) were all identified and contacted, and all agreed to provide seminars to the participants of the Tour. The National Academy of Public Administration (NAPA) agreed to provide a seminar regarding public policy issues involving performance evaluation, and the American Association for Budget and Program Analysis (AABPA, the nation-wide professional association for budget professionals in the US) invited the Tour members to make a formal presentation regarding Jordan's budget process at its semi-annual conference of 300 participants. The Tour members have developed written summaries of activities in their sectors as well as specific technical questions to be discussed with US counterparts.

KAA Support

KAA Advisor Ms. Safa Jarrar and GBD staff finalized KAA methodologies, submitted them to the GBD's senior management, which in turn approved them and communicated them to its staff. They also embarked on revising GBD's strategic plan, which is expected to be finalized during the first month of the next quarter.

Furthermore, and after receiving KACE first Mystery Shopper report, Ms. Jarrar and KAA teams reviewed the report and, accordingly, developed a plan addressing three main aspects; GBD website, phone calls handling, and field visits.

Strengthening Performance Audit at AB

AB's Annual Report included three performance audit reports on Governmental Fleet Management, Procurement of Medicine at the Ministry of Health, and Solid Waste Management at Greater Amman Municipality. This was done based on the recommendations of FRP II Performance Audit Advisor Dr. Kirk Jonas to AB teams who conducted the first three pilot studies. The report was issued and submitted to the Parliament for further action.

Furthermore, to build on the experience gained and lessons learned from the three pilot studies, AB President Mr. Mustafa Al-Barrari formed five new teams to conduct studies on Development and Employment Fund, Maintenance of Medical Equipment, Public Transportation Services, National Electric Power Company, and Jordan Airports Company.

Additionally, AB draft Performance Audit Manual is ready for distribution to the performance audit teams for review and feedback. The manual merges between two manuals prepared by Dr. Jonas and the current draft available at AB.

ISO 9001 Quality Management System at the Audit Bureau

Ms. Jarrar conducted three training sessions for 50 AB employees to build their capacities in relation to the ISO 9001 Quality Management System. The sessions covered three main topics; Training Needs Assessment, General Information on the Importance of ISO 9001 Quality Management System, and ISO 9001 Process Management, which included case studies on process mapping.



IPSAS Implementation

The General Account Director at the Ministry of Finance Mr. Qassem Bashabsheh returned from his trip after participating in the ICGFM Annual Conference in Miami. Mr. Bashabsheh presented Jordan's achievement in producing financial statements in conformity with the Cash International Public Sector Accounting Standards (IPSAS).

Audit Bureau Transition and Accountability Enhancement Study Tour

Following the return of AB senior members from the Transition and Accountability Enhancement study tour to the US, an action plan was drafted by participants to facilitate the implementation of knowledge gained during the study tour. Several activities on the plan were implemented such as the formulation of the new five performance audit teams and the preparation of an executive summary of AB annual report.

Communication Strategy Workshop with Audit Bureau

After the successful completion of Phase I of AB Communication Strategy Development, FRP II Outreach Advisor Ms. Tulin Bakeer conducted four training sessions covering Phase II of the strategy. The sessions took place on 14, 18, 19, and 21 June 2012, and were attended by seven participants who are members of AB Communication Strategy team. The sessions included practical training on how to utilize the principles of Social Marketing in Communication Strategies. During this phase,



the steps of developing a communication strategy using the principles of group marketing were also explained and linked to the outcomes of the first phase. An initial draft for the communication strategy objectives and plan was developed.

Governance in the Public Sector; the Role of Risk Management and Control Systems Workshop at Audit Bureau

FRP II Acting Deputy Chief of Party Mr. Fadi Al-Daoud conducted a training course at the Audit Bureau premises on 15 and 16 July 2012 entitled "Governance in the Public Sector; the Role of Risk Management and Control Systems". The training course was attended by 45 participants representing AB senior employees and internal auditors. The main objective of the training was to introduce participants to the concepts of governance, risk management, and control according to the international standards developed by different international institutes such as the Institute of Internal Auditors (IIA), the Association of Fraud Examiners (ACFE), and the Association of Certified Public Accountants (AICPA), and their relationships, ethics, and values that need to be enhanced, in addition to fraud measures for prevention and detection. This training was opened by the Audit Bureau President Mr. Mustafa Al-Barrari, the Audit Bureau Secretary General Mr. Walid Rahahleh, and FRP II Acting Chief of Party Ms. Christina Erickson.



SCHEDULE OF WORK PROGRESS AGAINST PLANNED ACTIVITIES

The following table includes the scheduled activities' completion dates for all the assistance planned during the third year work period. In the comments section, tasks are listed as complete, in process, postponed, cancelled, or obviated. Obviated tasks were subsumed into other FRP II activities, or made unnecessary due to changing realities or approaches.

COMPONENT B: PUBLIC FINANCIAL MANAGEMENT TASKS AND ACHIEVEMENTS

Work Area	Planned Delivery Date	Comments
BUDGET REFORM PROGRAM	Oct-12	
Performance Targeting, Reporting and Evaluation	Oct-12	In Process
Request performance information early in budget cycle	Apr-12	In Process
Review budget request forms	Dec-11	Complete
Revise budget request forms	Dec-11	Complete
Get GBD approval for revised budget request forms	Feb-12	Complete
Pilot revised forms with select ministries	Feb-12	Obviated
Revise forms/instructions based on pilot	Mar-12	Obviated
Communicate changes	Apr-12	Obviated
Briefings to SGs/Ministers	Mar-12	Obviated
Briefings for budget teams at ministries and depts.	Apr-12	Obviated
Training in performance evaluation	Aug-12	Complete
Training for line ministries	Jul-12	Complete
Training for GBD analysts	Aug-12	Complete
Donor collaboration	Oct-12	In Process

Work Area	Planned Delivery Date	Comments
Identify donor projects working in key ministries	Nov-11	Complete
Develop plans for coordination	Oct-12	In Process
Performance monitoring system	Oct-12	In Process
Define needs	Aug-12	In Process
Research options	Sep-12	In Process
Implement or develop system	Oct-12	
Improved integration of capital budgeting	May-12	
Define problems: meet w/MOPIC, GBD, MOF	Mar-12	In Process
Develop recommendations/criteria for capital budget planning/costing	May-12	
CAPACITY DEVELOPMENT	Nov-12	
Budget Analysis Unit	Mar-12	Complete
Develop job descriptions - interns/fresh graduates + sr analyst	Nov-11	Complete
Recruit/interview	Nov-11	Complete
Hiring/approval process	Mar-12	Complete
Performance evaluation training (see also line 15)	Oct-12	Complete
Basic writing skills	May-12	Complete
Issue paper development	Jul-12	Complete
Advanced Excel training	Oct-12	Complete
Performance evaluation study tour	May-12	In Process
Draft agenda	Dec-11	Complete
Determine participants with GBD	Dec-11	Complete
Preparation/visas/logistics	Apr-12	Cancelled
Study Tour	May-12	Cancelled
Follow up seminar/presentation	May-12	Cancelled
Performance evaluation working group	Oct-12	In Process
Draft concept note	Nov-11	Complete
Identify participants	Dec-11	Complete
Convene meetings	Oct-12	In Process
Linking performance evaluation to performance audit	Nov-12	In Process
Confer with Kirk Jonas on links	Nov-11	Complete
Brief GBD DG	Nov-11	Complete

Work Area	Planned Delivery Date	Comments
Brief budget departments/SGs of ministries and depts., as appropriate	Nov-11	In Process
Train GBD and line ministry staff in performance audit	Nov-12	Not yet begun
Budget Manual	May-12	
Translate and share with GBD	Dec-11	Complete
Training in budget manual	Jan-12	
Review budget guidance at large line ministries	Feb-12	
Develop budget handbook for ministries	May-12	
Job descriptions for budget analysts	Feb-12	
Review existing job descriptions	Feb-12	
Draft proposed changes	Feb-12	
Share with GBD	Feb-12	
KAA Activity	Oct-12	
Remedial action plan	Dec-11	Complete
Workshops/OJT	Oct-12	In Process
LEGAL FRAMEWORK FOR BUDGETING	Dec-11	In Process
Review proposed OBL with GBD	Nov-11	Complete
Review budget-related authorities in line ministry authorizing legislation	Dec-11	
PUBLIC EXPENDITURE PERSPECTIVES	Dec-11	
Formatting	Nov-11	Complete
Printing	Nov-11	Complete
PEP Videos	Dec-11	Complete
PEP Launch Event	Dec-11	Complete
PEP Policy Briefs	Nov-11	Complete
Continuous Support to the Audit Bureau	Oct-12	In Process
Provide policy or technical advisory support	Oct-12	In Process
General training (6 sessions/ courses)	Oct-12	In Process
Internal Financial Control	Dec-11	Obviated
Develop IFC training package	Nov-11	Obviated
Train the trainers	Nov-11	Obviated
Conduct training on IFC	Dec-11	Obviated
Final Accounts Audit and Analysis Report	May-12	In Process

Work Area	Planned Delivery Date	Comments
Conduct a gap analysis and benchmarking study	Feb-12	In Process
Prepare an action plan	Mar-12	In Process
Develop a final accounts audit & analysis manual	May-12	In Process
Conduct training on final accounts audit & analysis	-May-12	
Performance Audit	May-12	In Process
Finalize and produce performance audit manual in Arabic	May-12	In Process
Review performance audit report before issuance	Nov-11	Complete
Evaluate pilot experience	Feb-12	Complete
Conduct 3 knowledge transfer sessions on PA experience to AB staff	Apr-12	Complete
Conduct team leaders training to new AB performance audit teams	Apr-12	In Process
Conduct interview skills training for new PA teams	May-12	
ISO 9001 Quality Management System at the Audit Bureau	Oct-12	In Process
Approve ISO 9001 action plan	Nov-11	Complete
Conduct 3 training sessions on ISO 9001	Dec-11	In Process
Conduct 11 specialized training sessions on ISO 9001 specific requirements	Sep-12	In Process
Audit Bureau Capacity Building Project	Jul-12	In Process
Develop training strategy	Dec-11	Complete
Conduct a benchmarking & gap analysis study on training	Dec-11	Complete
Review current AB job descriptions	Mar-12	
Develop training methodology and training plan	May-12	
Conduct a benchmarking & gap analysis study on HR strategies	Jun-12	Obviated
Recommend improvements on AB recruitment procedure	Jun-12	Obviated
Recommend improvements on AB incentive procedure	Jul-12	Obviated
IPSAS Implementation	Oct-12	Obviated
Conduct a gap analysis study	Feb-12	Obviated
Prepare an action plan	Mar-12	Obviated
Implement the action plan	Oct-12	Obviated
Conduct 2 training sessions on IPSAS	Oct-12	Obviated
Audit Bureau Communication Strategy	Nov-12	
Formation of a focus group and conducting discussion sessions	Feb-12	Complete

Work Area	Planned Delivery Date	Comments
Develop AB communication strategy	Feb-12	In Process
Implement AB communication plan	Nov-12	Obviated
Monitoring and evaluation	Nov-12	Obviated
Improve Audit Reporting	Oct-12	In Process
Conduct study tour to GAO to sign MoU	Jan-12	Complete
Conduct a benchmarking study	Feb-12	Complete
Develop AB style guide	Apr-12	In Process
Develop AB standard for preparing, issuing and distributing reports	May-12	In Process
Conduct a workshop for AB employees on the reporting system	Jun-12	In Process
Conduct a workshop with the parliament members	Oct-12	Obviated

COMPONENT C: MOF CAPACITY AND ORGANIZATION

This component combines strengthening the analytical capabilities of the MOF along with strengthening the overall organization and streamlining and improving its operations. It also provides advisory support to MEMR,

COMPONENT EXPECTED RESULTS

Long-term component C expected results include:

- Sustained savings in budget resources from improved policy analysis
- MOF producing in-house, polished policy analyses
- Improved management of public and external debt
- Improved government budget oversight and analysis
- Strengthen internal controls in the MOF, and
- Make overall improvements in MOF administration, among others.

SMART INTERMEDIATE RESULTS

- Minister avails himself of analytical and policy support from the project.

Measurement: More analytical and policy reports produced by project for Minister of Finance.

Eleventh Quarter Update: Created a booklet of previous FRP II policy recommendations in English and Arabic, which have been delivered to the Minister of Finance and the Secretary General. This booklet includes policy recommendations on Income Tax, Import Duties and GST, Tax Arrears, Tax Expenditures, Luxury Goods, Phosphate, and the Investment Promotion Law.

- Improved modeling capacity of Studies and Economic Policy Directorate (SEPD) and developing the directorate's human capital.

Measurement: Fully operational and functional macro-fiscal model and training of SEPD staff on running and interpreting results of these models.

Eleventh Quarter Update: The model has been updated and run to include quarter two (Q2) 2012 data.

- Enhanced capabilities of pilot ministries to make decisions about capital expenditures by introducing cost/benefit analysis training programs.

Measurement: Conduct trainings on Cost/Benefit Analysis (CBA) for pilot ministry staff.

Eleventh Quarter Update: CBA training got postponed for year 4 work plan due to the urgent demands on Component C advisors to work on the energy sector.

- More targeted training programs geared towards career paths for MOF staff.

Measurement: Linking training gaps with career paths.

Eleventh Quarter Update: HR workshops covering topics such as Job Descriptions, Measuring Employee Performance and linking it to Organizational Performance, and Employee Empowerment were conducted through KAA support to build the capacity of the MOF KAA team.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

Technical Work with the Ministry of Energy and Mineral Resources (MEMR)

Component Lead Dr. Khalid Al-Hmoud, Capital Project Advisor Mr. Ammar Jarrar, and Junior Economist Ms. Aida Murad provided support to the Ministry of Energy and Mineral Resources (MEMR), as part of FRP II's plan to channel technical assistance to the Ministry over the short term (2012-2013) in the fields of oil and gas, and renewable energy projects. Paramount of FRP II's objectives are alleviating the fiscal pressures on the budget coming from MEMR's oil-related pricing policies, and building capacity in assessing the projects' economic and financial feasibility. FRP II team at MEMR screened the companies that expressed interest to bid for the construction of the Aqaba Oil Terminal on the basis of capital adequacy and operational performance criteria. The screening process culminated in a ranking system to help MEMR single out the qualified candidates.

A financial analysis was conducted on a prospective concentrated solar power (CSP) project to determine the Government's contribution to the project's capital structure in sync with a pre-set investor threshold rate of return. Equally important, the outcome of the analysis was greatly influenced by the relevant benchmark tariff recently issued by the Electricity Regulatory Commission. The CSP project is currently on MEMR's radar screen and could open the door for future additional solar energy projects.

In addition to this, Mr. Jarrar and Component B Lead Mr. Osama Al-Azzam took part in the meetings held by the GOJ committee established to assess the National Electric Power Company's (NEPCO) annual deficit. FRP II staff was in favor of adopting a conservative approach in terms of projecting the Egyptian annual gas supplies, a key component in the forecasting process. They also advocated the analysis to use a prudent, assumptions-based approach.

FRP II hired STTA Mr. John Rezaiyan from the 1st of June till the 6th of July 2012 to provide technical support in reviewing and advising several energy approaches that are being considered by the Government of Jordan, including drafting and reviewing Expressions of Interests for renewable energy projects. Mr. Rezaiyan met with members from the U.S. Embassy, USAID, and the Government of Jordan including the Minister and SG of Energy and Mineral Resources in order to provide advice on the energy projects viability from a technical, fiscal, and economic perspective. Upon the end of this consultancy task, Mr. Rezaiyan delivered an overall mission report, covering the work carried out, important findings, and recommendations for FRP II's steps forward.

Dr. Al-Hmoud, Mr. Jarrar, and Ms. Murad attended numerous meetings with the STTA Mr. Rezaiyan in order to gather intelligence on the energy sector. These included meetings held with the private sector, National Electric Power Co. (NEPCO), Electric Regulatory Commission (ERC), Ministry of Energy and Mineral Resources (MEMR), National Energy Research Center (NERC) and many more. Several meetings were also held to discuss the current fiscal status of the energy sector with the IMF Mission's Economist Ms. Hui Jin. Through the data collected, Ms. Murad developed a matrix of MEMR's projects with a summary of their current status, funding, expected dates etc. This matrix is to be updated weekly and has been shared with the Secretary General of the MEMR, USAID Mission, and the US Ambassador.

Furthermore, FRP II STTA Mr. Michael Biddison, an energy expert, arrived on the 29th of July for a six-month period in order to provide technical and advisory support to the Minister of Energy and Mineral Resources.

Technical work with the Ministry of Finance (MOF) and USAID Mission

Component C created a booklet of previous FRP II policy recommendations in English and Arabic, which have been delivered to the Minister of Finance and the Secretary General. This booklet includes policy recommendations on Income Tax, Import Duties and GST, Tax Arrears, Tax Expenditures, Luxury Goods, Phosphate, and the Investment Promotion Law. These

recommendations are purposed to support the process of fiscal reform that the government should adopt in order to strengthen its overall fiscal position.

Component C submitted to the USAID Mission and US Ambassador the previous and future fiscal measures taken by the Government of Jordan as part of the overall Jordanian fiscal reforms. This request came as part of GOJ's meeting requirements for the IMF's Precautionary Liquidity Line (PLL). In addition to this, Dr. Al-Hmoud has drafted to the USAID Mission a paper showing the calculations of how many jobs need to be generated in the Jordanian economy in order to absorb the influx of new job seekers and gradually reduce the unemployment rate. The preliminary estimates show that the Jordanian economy needs to generate approximately 70,000 jobs annually. Furthermore, Dr. Al-Hmoud submitted to the USAID Mission a paper explaining how the pegged exchange rate works in Jordan. An economic update was also done for the USAID's Assistance Agreement for Economic Growth Objective - Macroeconomic Foundation for Growth/Cash Transfer Program Assistance Approval Document (PAAD). In addition to this, Dr. Al-Hmoud provided tax expenditure recommendations to the US Ambassador as well as having prepared talking points in order to advocate for the policy reforms that are of high priority and carry a great fiscal impact on the budget.

Studies and Economic Policies Directorate (SEPD)

FRP II Research Assistants, Mr. Amin Al-Asoufi and Mr. Amer Ahmad assisted SEPD staff in running the Macro Economic Model based on the data from quarter two (Q2) 2012 in order to produce the Medium Term Fiscal Framework (MTFF) for the Ministry of Finance (MOF). In addition, Mr. Al-Asoufi and Mr. Ahmad provided support by following up with the IMF Missions through attending meetings with the counterparts at NEPCO, MEMR, Jordan Refinery, ISTD and the ERC.

Research and analytical assistance was provided to the MOF in studying the impact onto the Jordanian economy since Jordan's accession to the World Trade Organization from the year 2000. Analytical assistance was provided in evaluating the public finance and economic recommendations/actions that the GOJ should take, which were developed by the Financial and Economic Committee of the Senate. Further assistance was given through the study of the proposal of insurance provisions for Jordanian imports of basic goods, which was submitted by The Arab Investment and Export Credit Guarantee Corporation.

FRP II Capital Project Impact Advisor Dr. Abdelhakim Shibli, who is now serving in the role of Interim Director for SEPD, continued to provide advisory support to the MOF. He drafted various studies that include: a study that analyzes the financial situation of NEPCO and proposes a solution to break even to create a cash operating balance; and a study of the Microfinance Strategy that includes the request to exempt the Tanmiah project that is within this strategy from paying the GST. Dr. Shibli also prepared a list of capital projects to be submitted to the GCC to be funded by the GCC Fund.

From his capacity as Interim Director, Dr. Shibli participated with the Governmental Committee (including MOF and CBJ) that was formed to draft a National Economic Reform Program. Dr. Shibli assisted in the negotiations with the International Monetary Fund (IMF) to support and build this program through a Stand-By Arrangement, which resulted in the IMF granting Jordan access to the IMF credit line of about US\$ 2 billion.

Public Relations (PR) Campaign for GOJ Economic Reforms

Dr. Al-Hmoud, Mr. Al-Azzam and Component E Lead Ms. Widad Qutaishat were assigned to evaluate the proposals for the PR campaign, which aims to support the economic reforms that the GOJ is planning on adopting in order to improve the fiscal situation.

Supporting the Ministry of Transport (MOT)

Mr. Jarrar provided assistance to the MOT in terms of weighing and finalizing the financing options for the National Railway Project. Contrary to the efforts undertaken earlier, this

assignment looks at Phase I, the construction of rail to preserve phosphate traffic, as a project that could be spun off and handled by European financiers as a stand-alone project. In addition, Mr. Jarrar's work gained momentum in light of the European lenders' closing in on the terms and conditions for providing a credit facility for phase I. His tasks entailed working closely with the Project's External Transaction Advisor hired by MOT.

Advisory Support to the Ministry of Industry and Trade (MOIT)

FRPII Advisor at MOIT Ms. Gina Farraj worked with STTA Mr. Douglas Muir during his work on reviewing the new investment law that was requested by the MOIT and USAID. Furthermore, Ms. Farraj followed up on the new website for the MOIT that was prepared by Primus and financed by the former USAID Jordan Economic Development Program. The website still needs data population to solve certain technical problems.

Ms. Farraj prepared briefings for the topics on the agenda of the Economic Development Committee for the MOIT and coordinated with the Economic Counsel in Washington DC on many investment and trade related issues. She also worked on the set up of creating awareness and demand for the Governorates Fund. In addition to this, Ms. Farraj prepared presentations, talking points, speeches, and reports for the Minister, as well as having attended key meetings with the Minister. Ms. Farraj prepared for the Minister's participation in the International Economic Alliance meeting on 27 September 2012 where the Minister is set to deliver a country presentation at the Harvard Club in New York with a Jordanian business delegation.

KAA Support

KAA Advisor Ms. Eman Balout continued to support the KAA task force by conducting weekly meetings with KAA members. She also contributed to building the capacity of the MOF KAA Team with the assistance of the FRP II KAA Advisors Mr. Mohammed Humash and Mr. Khalil Dmour by conducting various HR workshops covering topics such as Job Descriptions, Measuring Employee Performance and linking it to Organizational Performance, and Employee Empowerment. Furthermore, Ms. Balout developed a follow-up plan for the KAA Finance Team to determine its activities, responsibilities and dates.

SCHEDULE OF WORK PROGRESS AGAINST PLANNED ACTIVITIES

The following table includes the scheduled activities' completion dates for all the assistance planned during the third year work period. In the comments section, tasks are listed as complete, in process, postponed, cancelled, or obviated. Obviated tasks were subsumed into other FRP II activities, or made unnecessary due to changing realities or approaches.

COMPONENT C: MOF CAPACITY AND ORGANIZATION TASKS AND ACHIEVEMENTS

Work Area	Planned Delivery Date	Comments
Policy Advisory	Oct-12	
Economic and public policy advisory support	Oct-12	In Process
Budgetary impact of capital projects advisory support	Oct-12	In Process
PPP advisory support	Oct-12	In Process
Legal advisory support	Oct-12	In Process
Unanticipated policy advisory support to Minister/SG/USAID	Oct-12	In Process
Continue Capacity Building Efforts at SEPD	Oct-12	In Process
Provide ad hoc advice to build analytical capabilities	Oct-12	In Process
Respond to demand for SEPD analysis	Oct-12	In Process
Monthly reporting on macro-fiscal performance	Oct-12	In Process
Build capacities within SEPD to understand, analyze, and interpret tax expenditures	Sep-12	
Conduct study on tax incidence	Oct-12	
Continue model building efforts	Oct-12	
Macro-fiscal data set and model	Mar-12	In Process
Completion of Macro-Fiscal Model and data set	Dec-11	Complete
Continue training sessions with SEPD Staff	Mar-12	Complete
Visits to growth engine sectors	Feb-12	Delayed
Build non-econometric revenue model	Oct-12	In Process
Training sessions on non-econometric revenue models	Mar-12	Delayed
Gather required data for analysis	Apr-12	Complete
Build model and validate projections	Oct-12	
Build micro-simulation model	Oct-12	
Design and preparatory work	Jun-12	Delayed
Data collection and building model	Oct-12	
In-Country Training	Oct-12	
Government Financial Statistics	Sep-12	Complete
EvIEWS and Excel	Oct-12	Complete
Establish and Support the PPP Unit (PPPU) at the MOF	Oct-12	
Establishing mandate of PPPU at MOF, including institutional setup	Mar-12	Delayed

Work Area	Planned Delivery Date	Comments
Establish the mandate, including objectives, workflow, tools, resources	Apr-12	Delayed
Conduct due diligence to cover existing work & conceptual proposals made on PPPs	Nov-12	Delayed
Define the business cycle for a PPP project	Apr-12	Delayed
Develop set of tools needed to analyze, evaluate and screen PPP candidates	Aug-12	Delayed
Develop manuals to evaluate PPP candidates/potential PPPs	Mar-12	Delayed
Develop project appraisal training material	Feb-12	Delayed
Project appraisal training to 3 pilot ministries (group 1)	Jun-12	Delayed
Assessment of project appraisal training (group 1)	Jun-12	Delayed
Project appraisal training to 3 other ministries (group 2)	Aug-12	Delayed
Assessment of project appraisal training (group 2)	Aug-12	Delayed
Other objectives and activities	Oct-12	
Support MOF & PM finalizing the PPP law and by-laws	Oct-12	Complete
Support the GOJ in establishing a sovereign fund to support the financing needs of Mega Projects, if approved	Oct-12	In Process
Continue Capacity Building Efforts with the PDD	Jul-12	Delayed
Update Medium Term Debt Strategy	Apr-12	Delayed
Design and preparatory work	Mar-12	Delayed
Gather data for further analysis	Mar-12	Delayed
Review MTDS and update analysis	Apr-12	Delayed
Hands-on training on MTDS Tool	Apr-12	Delayed
Training in financial analysis and risk management	Apr-12	Delayed
Enhance the MOF Training Center Capabilities	Jul-12	
Building Capacity of MOFTC Staff	Jul-12	
Special events management training	Nov-11	Complete
Team building training	Dec-11	Complete
Managing training processes	Feb-12	
Monitoring and evaluation brain storming sessions	Jul-12	Cancelled
Upgrade professional programs delivered at MOFTC	Mar-12	Delayed
Validate content of PAP and syllabus	Dec-11	Delayed
Recommend changes and improvements	Dec-11	Delayed
Train-of-Trainers of the modified PAP	Feb-12	Delayed
Provide advise seeking PAP & IFC accreditation by regional institutions	Mar-12	Delayed
Coordinate with other donor agencies working with MOFTC	Nov-11	Complete

Work Area	Planned Delivery Date	Comments
Attend the Advisory Council Meeting	Nov-11	Complete
Increasing the capabilities of the HR Directorate	Oct-12	
Linking Job Gap Analysis to Career Paths	Dec-11	Complete
Develop and design database	Nov-11	Complete
Link database findings to training needs	Dec-11	Complete
Build career path training schedule for MOF staff	Dec-11	Complete
Other Specialized Trainings	Oct-12	
Improve English Language Skills for MOF Staff	Oct-12	Delayed
HR development specialized trainings	Mar-12	Delayed
KAA Advisory Support - Phase 3	Jul-12	In Process
Develop corrective action plan on KACE recent reports	Dec-12	Complete
Implementation of KAA corrective action plan	Apr-12	In Process
Assist MOF in meeting KAA criteria for outstanding employees	Dec-12	In Process
Conduct mystery shopper training	Feb-12	Complete
Conduct KAA assessor workshop	Mar-12	
Conduct SWOT analysis training	Apr-12	
Conduct two sessions to review MOF vision & mission	Apr-12	
Assist MOF in developing KAA submission report	Jul-12	
KAA Specialized Training	Feb-12	Complete

COMPONENT D: CUSTOMS AND TRADE FACILITATION

FRP II is working with Jordan Customs, and other Partner Government Agencies (PGAs) involved with border activities, as well as with brokers and the private sector to modernize customs operations, strengthen staff capabilities, and improve trade across the country's borders.

COMPONENT EXPECTED RESULTS

Long-term expected Component D results include:

- Effective implementation of Single Window procedures
- Improved supply chain security
- Full compliance with international obligations
- Improved Customs client service

SMART INTERMEDIATE RESULTS

To achieve these long-term objectives, FRP II Component D established the following list of intermediate results, aiming to achieve them by the end of year three work. Here, we provide an update on Component D's progress following each intermediate result:

- Expansion of the Customs "Golden List"

Measurement: Number of new applicants accepted to "Golden List"

Eleventh Quarter Update: In June 2012, Jordan Customs accepted one new company on the "Golden List" bringing the total to 37. JC continues to actively promote the Golden List by identifying compliant companies and marketing the program as an incentive for those companies. The new GL member for Import is Northern Region Cement Company.

- Development of "Golden List" programs in JFDA and JSMO

Measurement: Pilot testing of new programs with selected JC Golden List companies

Eleventh Quarter Update: Jordan Customs has assumed responsibility for pilot testing the compliant trader programs in JFDA, JSMO, and the MOA. We are in active discussions with the new Director of the Risk Management Directorate to implement the pilot tests.

- Improved Customs client services

Measurement: Feedback from Internal and External Communications Strategy, KAA

Eleventh Quarter Update: FRP II KAA team conducted meetings with Jordan Customs' Intelligence Department to document Customer Complaints processes including reporting and analyzing the complaints to ensure preventive and corrective actions are undertaken. JC is finalizing a gap analysis for the Government Customer Service Excellence Award, which should improve the level of customer service at the various border centers.

- New Customs legislation adopted

Measurement: Compliance with international conventions, (RKC)

Eleventh Quarter Update: JC submitted final revisions to the proposed amendments to Customs Law to the Legislative Bureau at the Prime Ministry, which gave final approval. The draft law will be presented to the Council of Ministers before being sent to the Parliament. It has taken us almost two years to reach this point.

- Increased risk management capacity

Measurement: Expansion of Risk Units in PGAs, reduction in the percentage of red lane declarations for both JC and the PGA's

Eleventh Quarter Update: Following the training course, which was conducted for the PGAs on 25 and 26 April 2012 at the Jordan Customs Training Center, a Risk Management Refresher training program is under development by Component Lead Ms. Linda Daugherty. The training has been approved by the Director General of Jordan Customs and will be jointly delivered by Component D and the JC Risk Management Directorate. The specific purpose of the training is to harmonize risk criteria among the PGAs and JC and to reduce red channel interventions.

- Expansion of the number of Partner Government Agencies participating in the SW

Measurement: Number of agencies increased, number of procedures reduced

Eleventh Quarter Update: Four Partner Government Agencies are now active partners in the Single Window. In May 2012, the Telecommunications Regulatory Commission formally signed the Single Window MOU with Jordan Customs. Two SW locations are being added at Al-Karama Border Center with Iraq and King Hussein Border Center with Israel. This totals operational Single Windows at 13 border centers, representing the bulk of Jordan's trade volume.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

During the eleventh quarter, Component D has continued to move forward on a number of issues that would enhance the trade environment in Jordan.

Jordan Single Window (SW)/Risk Management Study Tour

To ensure that Single Window/Risk Management trade processing in Jordan continues to make a progress and align with international best practices, a study visit to the Netherlands was conducted between the 6th and 11th of May 2012. There were four participants from the Jordan Customs and one from each of the Tier 1 Partner Government Agencies (JFDA, JSMO and MOA).



After successfully concluding the study tour to the Netherlands, JC participants submitted their report to FRPII and to the JC SW committee.

The report included the findings and recommendations on how to improve Jordan's SW. All participants are collaborating on developing an action plan(s). The action plan(s) shall incorporate the application of solutions implemented by the Netherlands concerning Single Window and Risk Management activities, state-of-the-art Single Window processes and procedures, integration of the relationships between public and private sector stakeholders and inter-agency collaboration, and development of communication channels that could have a positive impact on Jordan. The action plan will include suggested measures for the phased implementation of the JSW Vision and Scope.

Senior Level Single Window Steering Committee – Official Outcomes

The Committee Chair, the DG of Jordan Customs HE Ghaleb Sarayreh, led an animated discussion on the Memorandum of Understanding, with emphasis placed on convincing the remaining Tier I PGA, MOA, and Tier II PGA, TRC, of the importance of signing. A presentation on the Long and Short-term scope was made and followed by open discussion. The Scope, leading to eventual paperless processing of declarations was, in general, understood and informally approved in principle. However, the minutes reflect that the PGAs will review further before giving a formal approval. Component Lead Ms. Linda Daugherty provided information

and an explanation on the function and purpose of the Single Window Sub-Groups (legal, operations/business process, technical, and program support) and the Risk Management Technical Committee, pending approval since February 2011. The Steering Committee approved all on an ad hoc basis and we are making plans to implement the decision.

Single Window Memorandum of Understanding (MOU)

On 24 May 2012, the Jordan Telecommunications Regulatory Commission became the fourth partner government agency (PGA) that formally signed the Single Window MOU with Jordan Customs. In chronological order, MOUs are currently in effect with the Nuclear Regulatory Commission, Jordan Standards and Metrology Organization, and Jordan Food and Drug Administration. Discussions are nearing a close with the Ministry of Agriculture.



Risk Management Outreach to MOA and JFDA

At the request of the risk management units in both the Jordan Ministry of Agriculture and the Jordan Food and Drug Administration briefing sessions were held to discuss the role and importance of risk management in the cargo processing environment. On 5 June 2012, Ms. Daugherty, with representatives of Jordan Customs Risk Management Directorate, met with the Secretary General of MOA and key MOA staff from both Headquarters and the border centers. JC provided an in-depth presentation on risk management and Ms. Daugherty placed risk management in the context of the positive impact of risk management on time and trade and the negative impact of non-productive delays on the economy of Jordan. The SG announced during the meeting that he supported risk management and single window and that MOA would sign the MOU with Jordan Customs. Also, a MOA press release supporting Single Window followed this. However, due to a lack of support to the MOU from the directors of the border centers, no action has been taken to date.

The outreach to the new Director General of the JFDA took place on 18 June. Ms. Daugherty provided information on risk management and single window processing to the DG and responded to his questions. The JFDA Risk Management Unit and representatives of the JFDA Divisions also participated in the discussion. The DG expressed his concern over whether risk management provided a benefit to his organization and remained skeptical even when presented with benefits such as better utilization of personnel and resources.

Aqaba Seaport and Cargo Handling Arrangements

Aqaba is the only seaport in Jordan and the volume processed through Aqaba constitutes a major percentage of Jordan's total volume of imports and exports. In an effort to improve cargo-handling processes at the Aqaba seaport, Component D and Jordan Customs staff conducted an assessment. Jordan Customs is acting quickly to implement many of the recommendations in partnership with Component D and ACT.

Pre-arrival Processing (PAP)

Component D is working with Jordan Customs, through the TCBoost Partnership for Trade Facilitation Program, to provide technical assistance to expand the scope and impact of the PAP program. Through increased use of the PAP program, Jordan Customs can help reduce administrative barriers, shorten processing times, and decrease red-channel interventions. Improvements to PAP will also increase transparency and predictability, and expand public/private sector capacity.

World Bank Report – Doing Business / Trading Across Borders

In early June, Component D received a request for additional information from the World Bank. Customs Administration and Trade Facilitation Program Specialist Mr. Mazen Abu Alghanam worked with JC officials to provide the requested information and verify the information related

to trading across borders for the World Bank Doing Business report for the year 2013, submitted on 15 March 2012. The response was consolidated and submitted to the WB, which will provide more accurate information about Jordan's performance in the Trading Across Borders Index. The World Bank sent an acknowledgement for receipt of the information and expressed their appreciation for the thorough and timely response.

Amman Customs House (ACH) Central Processing Center Project

Request for Proposals (RFP) has been advertised for the purchase of two servers to support the GPS Tracking system, a critical part of moving trucks from the borders to the ACH for processing. A business case, jointly prepared by Jordan Customs and Component D, for the purchase of an E-Gate System to control the movement of trucks to, from, and within the ACH, has been submitted for approval. Ms. Daugherty met with representatives from UNCTAD and JC IT Directorate to discuss the content of a new contract between JC and UNCTAD to provide a more robust ASYCUDA World platform to support paperless processing and the central processing center concept. Both JC and UNCTAD are ready to proceed but cannot do so until funds are received from the Local Currency Trust Fund.

KAA Support

A workshop was held on the 8th and the 9th of May 2012 to explain the concept of business excellence using practical terms, so that it can be understood and implemented easily by KAA team members to achieve sustained results and narrow the knowledge gaps among them. The workshop covered KAA requirements, new amendments made on the criteria, and RADAR methodology as an implementing tool not as an assessment tool. The participant learned some best practices used among different criteria, and identified the linkages among them to promote the team work and integration as the only strategy to achieve excellence. The evaluation results of the workshop showed considerable improvement (around 70%) of knowledge and understanding of the KAA requirements among participants.

KAA Advisor Mr. Weam Obeidat participated in four different brainstorming sessions held to explain and discuss the requirements of Government Customer Service Excellence Award. The sessions held with the four teams of the award, which represent the Headquarter, Amman Customs House, Zarqa Free Zone Customs House, and CARGO. This was followed by a two-day workshop, which was held with all the four teams to ensure compatibility and harmony of the four applications of the Award.

In order to increase the effectiveness of work teams of the three awards that the JC participates in (KAA, Government Customer Service Excellence Award, and Innovation Award), an action plan was developed, in collaboration with the general supervisor of the award, to follow up the achievements and results of these teams.

Joint ISTD-Customs Initiative Tax and Customs Evasion

FRPII components A & D worked together to initiate a collaborative endeavor between Customs and ISTD to combat Tax and Customs evasion.

SCHEDULE OF WORK PROGRESS AGAINST PLANNED ACTIVITIES

The following table includes the scheduled activities' completion dates for all the assistance planned during the third year work period. In the comments section, tasks are listed as complete, in process, postponed, cancelled, or obviated. Obviated tasks were subsumed into other FRP II activities, or made unnecessary due to changing realities or approaches.

COMPONENT D: CUSTOMS AND TRADE FACILITATION TASKS AND ACHIEVEMENTS

Work Area	Planned Delivery Date	Comments
Golden list (GL)	Oct-12	Obviated
JORDAN CUSTOMS (JC)	Mar-12	
Assist JC to promote new GL conditions and incentives	Mar-12	Complete
JORDAN FOOD & DRUG ADMINISTRATION (FDA)	Oct-12	Obviated
Develop technical manual for the new GL program	Mar-12	Cancelled
Perform pilot testing for the new GL program with selected JC GL companies, adjust manual as necessary and submit report	May-12	Obviated
Communication and Outreach Strategy for promoting new GL program	Oct-12	Obviated
Assist JFDA to develop internal Communication and Outreach Strategy	Sep-12	Obviated
Assist JFDA to Develop external Communication and Outreach Strategy	Sep-12	Obviated
Provide on-going TA to implement the outreach strategy	Oct-12	Obviated
JORDAN STANDARDS & METROLOGY ORGANIZATION (JSMO)	Oct-12	Obviated
Develop technical manual for GL program	Mar-12	Cancelled
Perform pilot testing for the new GL program with selected JC GL companies, adjust manual as necessary and submit report	May-12	Obviated
Communication and Outreach Strategy for promoting new GL program	Oct-12	Obviated
Assist JSMO to develop internal Communication and Outreach Strategy	Aug-12	Obviated
Assist JSMO to develop external Communication and Outreach Strategy	Aug-12	Obviated
Provide on-going TA to implement the outreach strategy	Oct-12	Obviated
JORDAN SINGLE WINDOW (SW)	Oct-12	In Process
Mid-Term Evaluation	Oct-12	Complete
Consultation with all 6 current SW participants	Dec-11	Complete
Consultation with the Trade	Dec-11	Complete
Identify outstanding issues, and develop recommendations	Dec-11	Complete

Work Area	Planned Delivery Date	Comments
Convene discussion sessions with SW (JC and PGAs) to finalize issues and recommendations	Dec-11	Complete
Submit Report and Draft Implementation Plan	Jan-12	Complete
Provide on-going TA to implement the recommendations	Oct-12	Complete
JSW Master Work Plan	May-12	Complete
Review SW Master Plan and adjust based on the mid-term review	Jan-12	Complete
Create an Electronic SW E-Library	Mar-12	Complete
Suggest a mechanism for coordinating the SW senior level steering committee (SLSC)	Mar-12	Complete
SW Communication and Outreach Strategy for JSW	Oct-12	In Process
Assist JC to develop internal Communication and Outreach Strategy with SW PGAs	Apr-12	In Process
Assist JC to develop external Communication and Outreach Strategy	Apr-12	In Process
Provide on-going TA to implement the outreach strategy	Oct-12	In Process
Provide technical support to SW MOUs between JC	Jun-12	In Process
MOA	Jun-12	In process
MOE	Jun-12	In process
TRC	Jun-12	Complete
RISK MANAGEMENT	Oct-12	
Support harmonization of JFDA and JSMO Risk Criteria with JC Criteria	Oct-12	In process
Provide ongoing support to established risks units	Oct-12	In process
Assist in development of Risk Criteria for Tier 2 PGAs and MOA	Oct-12	
MOE	Oct-12	
NRC	Oct-12	In Process
TRC	Oct-12	In Process
MOA	Oct-12	In process
Work with JC to refine Risk Criteria to reduce the percentage of goods sent to the red lane	Jun-12	In Process
STUDY TOUR FOR SW AND FULLY FUNCTIONAL RISK MANAGEMENT UNITS	May-12	Complete
Develop and agree on ToRs for the visit	Jan-12	Complete
Select location in agreement with counterpart	Mar-12	Complete
Identify participants (approximately 6-8)	Mar-12	Complete

Work Area	Planned Delivery Date	Comments
Logistics	Apr-12	Complete
Conduct tour	Apr-12	Complete
Submit report	May-12	Complete
SOP MANUAL FOR PILOT CLEARANCE REGIME	Sep-12	Cancelled
Form a JC working group	Apr-12	Cancelled
Agree with JC on selecting a pilot regime to develop SOP (the proposed regime is international transit)	May-12	Cancelled
Survey of procedures at selected location	Jun-12	Cancelled
Assessment of Legal framework	Jun-12	Cancelled
Report of findings	Jul-12	Cancelled
Discuss amendments to operating procedures	Jul-12	Cancelled
Develop and present SOP manual	Sep-12	Cancelled
Develop and present a workshop on how to write SOPs	Sep-12	NEW replaced the manual
Aqaba seaport operations and cargo handling arrangements	Apr-12	Complete
Assess current ACT operations	Mar-12	Complete
Develop recommendations for improving Aqaba Port operations	Mar-12	Complete
Deliver Report	Apr-12	Complete
Customs Broker licensing requirements	Apr-12	Complete
Document broker requirements as envisaged by JC	Mar-12	Complete
Identify legislative constraints against change	Mar-12	Complete
Review current incentives and penalties	Mar-12	Complete
Recommend revised broker licensing requirements to include legislative changes	Apr-12	Complete
Report of findings and recommendations	Apr-12	Complete
PCA	Jul-12	
Review of the current PCA functions at JC	Apr-12	Postponed
Assessment of PCA based controls capability in JC	Mar-12	Postponed
Report on findings and recommendations	Jun-12	Postponed
Conduct training	Jul-12	Postponed
IT support	Oct-12	
Procurement	Jun-12	In process
Purchase of two servers for ASYCUDA / GPS tracking system in support of the Amman Customs House CPC	Jun-12	In process

Work Area	Planned Delivery Date	Comments
project		
Purchase of 14 laptops computers for PGAs risk units	Jun-12	Complete
Provide support to JC IT directorate in JAVA	Oct-12	In process
KAA	Oct-12	
Provide technical support and advisory to JC on KAA criteria	Oct-12	In process
Training	Oct-12	In process
KAA Criteria and Requirements and RADAR Methodology	Dec-11	Complete
Awareness on KAA requirements	Apr-12	Complete
Preparation of Annual Action Plans	Feb-12	Complete
Key Performance Indicators (KPI's)	Apr-12	Complete
Certified KAA assessor	Apr-12	Postponed
Process Management and streamlining	May-12	Complete
Balanced Scorecards Training	May-12	Complete
Purchasing and Stock Management Training (financial criteria)	Jun-12	Complete
Control and Internal Auditing Training (financial criteria)	Jul-12	Complete
Creativity and innovation Training	Sep-12	Complete
Linking individual performance to organizational performance	Aug-12	Complete
Assessment of the return compared with the cost of the training	Oct-12	Complete
Knowledge Management (Knowledge Audit and K-maps)	Jan-12	Complete
Linking Knowledge Management to other organization managements	Mar-12	Complete
Provide technical policy and advisory support	Oct-12	In Process
JC Training Center	Oct-12	In process
Amman Customs House to assist developing work plan and draft MOU with USAID, to include infrastructure, design plans and costing	Oct-12	In process

COMPONENT E: RESULTS-ORIENTED GOVERNMENT

The concepts of innovative, responsive and effective government, whether through the better provision of healthcare services, better designed capital investment projects, or a more taxpayer-friendly tax system, permeates FRP II's approach in all its technical and outreach work. Beyond this, however, FRP II, working closely with the Ministry of Public Sector Development (MOPSD) and the King Abdullah II Center of Excellence (KACE), has developed a specific program to address results-oriented government (ROG) and public sector reform.

COMPONENT EXPECTED RESULTS

Long-term expected results under the ROG Component include:

- Better defined and more effectively performed government role.
- Innovation introduced into government services, capital project design, and government financing
- Increased use of strategic planning, strategic outreach, performance measurements, and linking of planning with actions throughout the government.

To achieve these long-term objectives, FRP II Component E established the following list of intermediate results, aiming to achieve them by the end of year three work. Here, we provide an update on Component E's progress following each intermediate result:

- Enhanced awareness about the National Contact Center (NCC) and increased citizens' use of the NCC.

Measurements: Statistics from the NCC

Eleventh Quarter Update: The Awareness Campaign resulted in an increase in the number of enquiries received by the NCC and the number of complaints received by the CMU by 93% and 217% respectively.

- Government institutions become more aware of the need to innovate and encourage innovation.

Measurements: KAA reports

Eleventh Quarter Update: Statistics should be finalized during the 12th quarter.

- Improved Service delivery in government agencies.

Measurements: Customer Satisfaction Surveys

Eleventh Quarter Update: Statistics should be finalized during the 12th quarter.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

Service Delivery Improvement Toolkit

ROG Advisor Ms. Khitam Farah reviewed two additional service delivery improvement tools on "Identifying Stakeholders" and "Setting Service Standards", which were drafted by MOPSD. She also finalized reviewing the design of the 17 summaries of the service delivery improvement tools.

Service Delivery Improvement Toolkit Marketing and Implementation

During the eleventh quarter, Ms. Farah conducted a workshop on Workload Analysis, which was attended by 22 participants from different governmental institutions including FRP II main counterparts. There was a big attendance from the DoLS who are currently working on a reengineering project for their “Segregation Service” using the workload analysis concept presented in the workshop. This workshop is a continuation of a series of workshops for the 15 service delivery improvement tools that were developed last year.



Support to Departments of Lands and Survey (DLS) to Elevate Level of Performance of Customer Service at the Southern Amman Directorate

Ms. Farah and the ROG Coordinator Ms. Eman Al-Ajaleen finalized the process review for the “Lands’ Sorting Service” at the Directorate. The review resulted in several valuable recommendations to improve and optimize the process.

National Contact Center (NCC) Awareness Campaign

Prisma Marketing & Communications with the ROG Project Manager Mr. Tawfiq Zada, FRP II Outreach Advisor Ms. Tulin Bakeer, and the teams from MOPSD and MOICT finalized the Impact Assessment part of the campaign. The Awareness Campaign resulted in an increase in the number of enquiries received by the NCC and the number of complaints received by the CMU by 93% and 217% respectively.

ROG Toolkit

During this quarter, ROG Toolkit STTA Ms. Martha Marshall delivered the following final tools, which were reviewed by Mr. Zada:

- Aligning Results and Roles
- Partnerships to Achieve Results
- The Program Logic Model and Developing a Chain of Success
- Results Oriented Budgeting
- Aligning Team and Individual Performance with Organizational Performance
- Monitoring, Evaluating, and Learning from Performance
- Good Practices in Reporting Performance to the Public
- Leading Innovation
- Innovation Team
- Leading Results Oriented Government

She also delivered a Marketing Plan and an ROG Overview PowerPoint Presentation that would help in marketing the ROG Toolkit, in addition to a Continuous Improvement System for the ROG tools.

Innovation and Excellence Fund (IEF) Support/Improve Customer Service Units in Social Security Corporation (SSC)

STTA Ms. Ahlam Shabaneh delivered the following documents:

- A Diagnostic Report summarizing her findings during the “Data Collection” and “Data Analysis” phases of the project in addition to a set of related recommendations
- Recruitment and Internal Transfer Manual
- Workload Analysis Methodology
- Workload Analysis Report
- Employees’ Competency Analysis Report

The above documents are currently being reviewed by SSC.

Innovation and Excellence Fund (IEF) Support/Implement a CRM System for the Ministry of Transport (MOT)

The project kick-off meeting took place on 11 June 2012. It was attended by the MOT Secretary General as well as representatives from all entities affiliated with the Transport Sector, which will be the main beneficiaries from the system. Representatives from FRP II and from 01 Tracks, the consulting firm implementing the system, also attended the meeting. 01 Tracks with the MOT IT Director Mr. Osama Karadsheh, MOT Project Manager Ms. Maha Al-Omari, FRP II IT Advisor Mr. Firas Al-Sheikh, and Mr. Zada started the



implementation of the project and already completed the "System Installation" phase as well as the training sessions targeting MOT and its affiliated entities managers.

Government Customer Service Excellence Award

The Excellence Models Advisor Mr. Fares Dahabreh supported the implementation of the Government Customer Service Excellence award through:

- Scheduling site visits with participating organizations (13) and branches (31)
- Reviewing case studies submitted by potential assessors
- Selecting Government Customer Service Excellence Award assessors
- Training Government Customer Service Excellence Award assessors
- Preparing Site Visits Assessments Plan (1-19 July 2012)
- Supervising site visits assessments and escorting assessors during assessments
- Reviewing individual and consensus reports submitted by assessors
- Reviewing final assessment reports and giving feedback to assessors

KACE support and KAA Administration

During this quarter, Mr. Dahabreh supported KACE through:

- Reviewing, with KACE strategy team, the new strategic plan and strategic objectives for the Quality, Standards, and Training Department
- Assisting International Relations Supervisor in finalizing the agreement with Al-Ain University in the UAE
- Supporting the Marketing Supervisor in developing a plan to enhance the relationships with Jordanian Universities
- Supporting the Marketing Supervisor in getting more benefits for winning organizations from participating Private Sector organizations
- Conducting Specialized Training courses for participating private and public sector organizations
- Delivering a "Certified Assessor Course" for the Arab Quality Award conducted in coordination with the Arab Industrial Development and Mining Organization

SCHEDULE OF WORK PROGRESS AGAINST PLANNED ACTIVITIES

The following table includes the scheduled activities' completion dates for all the assistance planned during the third year work period. In the comments section, tasks are listed as complete, in process, postponed, cancelled, or obviated. Obviated tasks were subsumed into other FRP II activities, or made unnecessary due to changing realities or approaches.

COMPONENT E: RESULTS-ORIENTED GOVERNMENT TASKS AND ACHIEVEMENTS

Work Area	Planned Delivery Date	Comments
Provide technical and policy assistance to counterparts.	Oct-12	In Process
Innovation Forum	Oct-12	Cancelled
Conducting the Forum	May-12	Cancelled
Reconfirm Selected Speakers and Moderators Interest	Dec-12	Cancelled
Contact new potential speakers, moderators, subjects as needed.	Jan-12	Cancelled
Evaluate submitted abstracts and bios	Feb-12	Cancelled
Update and finalize Innovation Forum Program (Arabic and English)	Feb-12	Cancelled
Patronage preparations and follow up	Mar-12	Cancelled
Contact Selected Speakers to submit/ update presentations	Mar-12	Cancelled
Finalize participants/ invitees lists (public, private, NGOs), honored guests	Jan-12	Cancelled
Review and finalize Forum website	Mar-12	Cancelled
Review and finalize Forum material	Feb-12	Cancelled
Production of Forum material (brochures, flyers, banners, Invitations...etc.)	Apr-12	Cancelled
Define and update sponsors and media partners' packages	Nov-11	Cancelled
Define Sponsors and Media Partners	Jan-12	Cancelled
Confirm, Re- define, and contact potential exhibitors	Dec-11	Cancelled
Logistics (Venue, Accommodation, Dinner, Local Trips, flights, ushers)	Apr-12	Cancelled
Hold Innovation Forum	Apr-12	Cancelled
Hold Innovation Forum	Apr-12	Cancelled
Innovation Forum Follow up activities (website updates, feedback analysis, reporting)	May-12	Cancelled
Adopting Innovation Forum Outcomes Initiatives	Oct-12	Cancelled
Define and Prioritize Innovation Forum Outcomes Initiatives	Jun-12	Cancelled
Define Potential Champions to Implement Selected Initiatives (2 Champions at least)	Jul-12	Cancelled

Work Area	Planned Delivery Date	Comments
Preparation for Implementation (SOW, Define resources Internal or external experts, etc.)	Oct-12	Cancelled
Service Delivery Toolkit Marketing and Implementation	Oct-12	
Toolkit distribution	Feb-12	
distribution plan	Dec-11	Complete
Toolkit distribution to public institutions and websites upload	Feb-12	In Process Website upload complete
SDI tools Summaries' marketing	Mar-12	
preparations	Jan-12	Complete
printing	Feb-12	In process
distribution, websites upload	Mar-12	In process Website upload complete
distributing SDI tools summaries	Mar-12	
Training Workshops on SDI Tools	Oct-12	
preparations	Oct-12	In Process
conduction of the training	Oct-12	In Process
Implementation pilot projects	Oct-12	In Process
Defining Potential implementation Champions	May-12	Complete
Preparation for Implementation (SOW, Define resources internal or external experts, etc.)	Oct-12	In Process
Implementation of Selected Tools and Provide Feedback for Continuous Improvement	Oct-12	In Process
Alleviating of Customer Service at the Department of Lands and Survey (implementation phase)	Oct-12	
Preparation	Jan-12	Complete
Mentorship and training of action plan implementation	Mar-12	In Process
Capacity Building of Customer Service Employees at DoLS	Oct-12	In Process
National Call Center promotional Campaign	Jul-12	
Conducting the Campaign	Jun-12	Complete
campaign conducted	Jun-12	Complete
Preparing and Submitting the Final Report	Jul-12	Complete
Code of Ethics Promotional Campaign	Oct-12	Cancelled

Work Area	Planned Delivery Date	Comments
Project Preparations	Mar-12	Cancelled
Conducting the campaign	Oct-12	Cancelled
campaign conducted	Oct-12	Cancelled
Preparing and Submitting the Final Report	Oct-12	Cancelled
Actuarial Study- Social Security Corporation	Feb-12	
Preparations	Dec-11	Complete
Project work plan development	Jan-11	Complete
Diagnosis and benchmark review	Dec-11	Complete
Recommendation development	Jan-12	Complete
Draft report submission	Jan-12	Complete
Draft report review	Jan-12	Complete
presenting findings workshop	Jan-12	Complete
Work plan for implementing recommendation	Feb-12	Complete
Finalize report	Feb-12	Complete
Submit final Report	Feb-12	Complete
ROG toolkit	Jul-12	
Preparations	Nov-11	Complete
Work plan Development and Material Review	Dec-11	Complete
Draft Toolkit Development	Feb-12	Complete
Draft Toolkit Review	Mar-12	Complete
Final Toolkit Development	Mar-12	Complete
Final Toolkit Submission	Mar-12	Complete
Marketing Plan Development	Mar-12	Complete
Training KAA Advisors and counterparts on Toolkit Implementation	Jun-12	In Process
Preparing and Submitting the Final Report	Jun-12	
Printing the Toolkit	Jul-12	
IEF/ Ministry of Transport- Customers' feedback management and tracking system.	Oct-12	
Project Preparations	Aug-12	Complete
System Development	Jan-11	In Process
System Delivery	Mar-12	In Process

Work Area	Planned Delivery Date	Comments
Staff Training and Coaching	Mar-12	In Process
Preparing and Submitting the Final Report	Aug-12	
IEF/ Food and Drug Administration- Management Information System for Food Laboratory Testing Results	Aug-12	Cancelled
Project Preparations	Oct-12	Cancelled
System Development	Mar-12	Cancelled
System Delivery	Sep-12	Cancelled
Staff Training and Coaching	Sep-12	Cancelled
Preparing and Submitting the Final Report	Oct-12	Cancelled
IEF/ Social Security Corporation- Improve Customers' service Units performance	Aug-12	
Project Preparations	Dec-11	Complete
System Development	Jun-11	Complete
System Delivery	Jun-12	Complete
Staff Training and Coaching	Jul-12	Complete
Preparing and Submitting the Final Report	Aug-12	Complete
Public Sector customers' focus groups Campaign	Oct-12	Cancelled
Project Preparations	Jun-12	Cancelled
Conducting the Focus Groups	Sep-12	Cancelled
Preparing and Submitting the Final Report	Oct-12	Cancelled
KACE/ Government Customer Service Excellence Award (GCSEA)	Oct-12	
Final development of model	Dec-11	Complete
finalize framework - criteria - guidelines	Dec-12	Complete
Development of model	Dec-11	Complete
GCSEA Awareness	Jun-12	Complete
Prepare Awareness plan	Jan-12	Complete
Conduct Sessions	Jun-12	Complete
GCSEA Training for participating organizations	Jun-12	Complete
Prepare Training plan	Jan-12	Complete
Conduct Sessions	Jun-12	Complete
Assessors Training	Mar-12	Complete

Work Area	Planned Delivery Date	Comments
Prepare training material	Jan-12	Complete
Conduct Sessions	Jun-12	Complete
Assessors Selection	May-12	Complete
Prepare Selection criteria	Dec-11	Complete
Interview candidates	Apr-12	Complete
Select Assessors	May-12	Complete
KAA Administration	Jun-12	In Process
Select Assessors for new Cycle	Feb-12	Cancelled
Review and update Assessors Selection Criteria	Nov-11	Cancelled
Train Potential Assessors	Feb-12	Cancelled
Select Assessors	Feb-12	Cancelled
Participating organizations awareness and Training	Jun-12	Complete
Conduct training workshops for public sector participating	Jun-12	Complete
Conduct training workshops for private sector participating	Jun-12	Complete
Assist KACE in becoming Recognized for Excellence	Oct-12	
Conduct self-assessment	Dec-11	Complete
Prepare Action Plan	Dec-11	Complete
Develop Approaches and systems	Oct-12	Cancelled
Training Support	Jul-12	
Assist KACE in developing its Training plan for year 2012	Nov-11	Complete
Develop Benchmarking training material course	Mar-12	Complete
Develop Customer Satisfaction Surveys training material	Mar-12	Complete
Develop Key Performance Indicators (KPIs) training material	Mar-12	Cancelled
Conduct Benchmarking Training courses	Jun-12	Complete
Conduct Customer Satisfaction Surveys Training courses	Jun-12	Complete
Conduct Key Performance Indicators (KPIs) Training courses	Jul-12	Cancelled
Benchmark Visit	Feb-12	Cancelled
preparations	Feb-12	Cancelled
conduct the visit	Feb-12	Cancelled
KAA Impact Assessment Study	Mar-12	
prepare assessment criteria and surveys	Nov-11	Complete
prepare surveys and visits plan	Dec-11	Complete

Work Area	Planned Delivery Date	Comments
conduct surveys and visits	Jan-12	In Process
analyze results	Feb-12	
Prepare report	Mar-12	
Report Submission	Mar-12	

COMPONENT F: GOVERNMENT FINANCIAL MANAGEMENT INFORMATION SYSTEM (GFMIS)

This section reports on the activities of the Component F Team during the most recent quarter.

COMPONENT EXPECTED RESULTS

Expected results of the GFMIS Component include:

- The GFMIS enables consistent budget preparation and execution processes across all spending agencies
- Government of Jordan, MOF and spending agencies have real time access to financial data to make informed decisions.
- Government financial controls are strengthened
- The GFMIS is installed and utilized by all Government spending agencies.
- The GFMIS project is staffed with well-trained, knowledgeable employees.
- The GFMIS unit provides best practice support to all clients.
- The GFMIS unit undertakes activities that will enhance and extend the GFMIS.

FRP II supports the Ministry of Finance in its introduction of the GFMIS. In particular, FRP II provides the international and local technical assistance to support the proper implementation of the GFMIS and its nationwide deployment during the course of the project. The GFMIS computerizes the entire life-cycle of budget preparation, budget execution, and financial reporting. It also ensures that all state financial resources and transactions are properly accounted for, monitored, controlled, and managed in accordance with existing laws and regulations.

SMART INTERMEDIATE RESULTS

To achieve these long-term objectives, FRP II Component F established the following list of intermediate results, aiming to achieve them by the end of year three. Here, we provide an update on Component F's progress following each intermediate result:

- GFMIS is operational in Government spending agencies

Measurement: GFMIS operational in 30 Ministries and 15 RFCs

Eleventh Quarter Update: GFMIS system is operational in 26 budget institutions (20 Ministry/Department and 6 regional financial centers). During the last quarter, the system was rolled out in batches 7, 8 and 9, as shown in the following table:

Figure 1: Rollout Sites of the Last Quarter

Batch 7	Batch 8	Batch 9	Comments
Customs Department	Karak	Parliament	
Lands and Survey Department	Aqaba	Supreme Judge Department	
Madaba RFC	Tafila	South Amman Financial Center	
	Ma'an		

In order to have an idea about the activities done in the last quarter, the table below shows the carried out activities:

Figure 2: Activities carried out on site during rollout

Batch No.	Site	Comm. Event	Fun. Analysis	Setup Analysis	BPR Analysis	Setup Data	App. Setup	Training	Fin. Data	Go Live	Supp & Comp.
B1	Audit Bureau	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B1	Ministry of Higher Education	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B1	Statistics Dept.	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B2	RFC Salt / On Hold	Done	Done	Done	Done	Done	Done	Done	-	-	-
B2	RFC Jarash	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B2	RFC Ajloun / On Hold	Done	Done	Done	Done	Done	Done	Done	-	-	-
B3	Ministry of Interior	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B3	Ministry of Social Development	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B3	Ministry of Industry and Trade	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B4	Ministry of Interior	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B4	Ministry of Industry and Trade	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B4	Ministry of Social Development	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B5	Ministry of Labor	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B5	Ministry of Culture	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B5	ISTD	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B6	Department of Antiquities	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B6	Civil Status and Passports Department	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done

B6	Ministry of Justice	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B7	Customs Department	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B7	Lands and Survey Department	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B7	Madaba RFC	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B8	Karak	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B8	Aqaba	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B8	Ma'an	Done	Done	Done	Done	Done	Done	Done	Done	Done	In Progress
B8	Tafila	Done	Done	Done	Done	Done	Done	Done	Done	Done	Done
B9	Parliament	Done	Done	Done	Done	Done	Done	Done	Done	Done	In Progress
B9	Supreme Judge Department	Done	Done	Done	Done	Done	Done	Done	Done	Done	In Progress
B9	South Amman RFC	Done	Done	Done	Done	Done	Done	Done	Done	Done	In Progress
B10	Ministry of Agriculture	Done	Done	Done	In Progress	-	-	-	-	-	In Progress
B10	Jordan Valley Authority	Done	Done	Done	-	-	-	-	-	-	In Progress
B10	Ministry of Public Works and Housing	Done	Done	Done	-	-	-	-	-	-	In Progress

- GFMIS team provides system support to all clients

Measurement: Help desk software BMC is installed and operational. Support procedures are established based on ITIL and operational standards.

Eleventh Quarter Update: BMC is now operational externally in the sites that are already using the GFMIS system and internally between the functional and technical teams, while Business Intelligence and BEPL software will be installed in the GFMIS project.

- Implement Oracle Project Costing to support adequate project accounting needs

Measurement: Project expenditure properly tracked. Government of Jordan have a clear picture of the costs of projects that are being undertaken.

Eleventh Quarter Update: Project Steering Committee requested the activation of the Project Costing and this request will be delivered to the service supplier Intracom.

- GFMIS staff are knowledgeable and considered the “go-to group” for all GFMIS matters

Measurement: Skills assessment completed and capacity-building plan implemented.

Eleventh Quarter Update: 2 GFMIS employees attended FRP II TOT program.

KEY ACCOMPLISHMENTS/HIGHLIGHTS FOR THE 11TH QUARTER

Functional Team Activities

The team members continued their support in the three batches (7, 8, and 9) including introductory sites visits, setup data sheets collection, data auditing, end user trainings, reconciliation of opening balances and site support for the sites that are already using the GFMIS system.

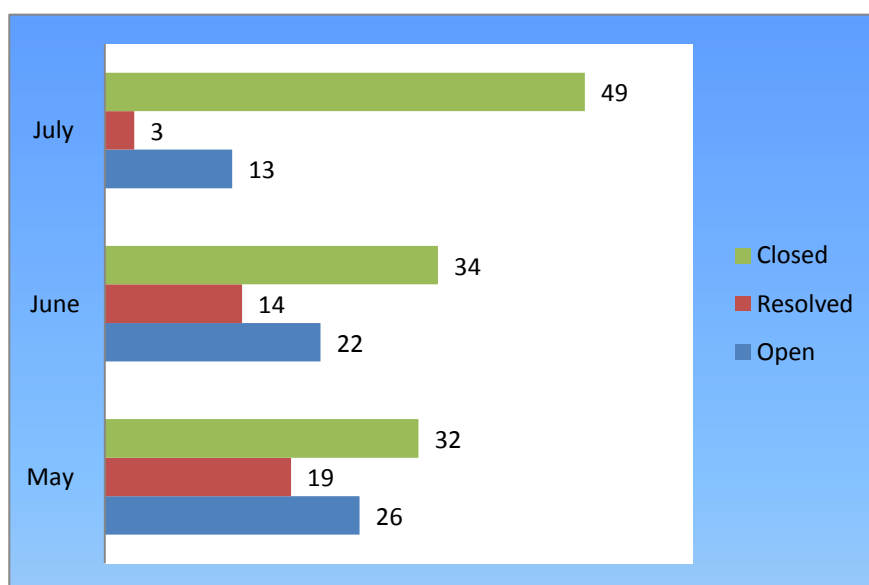
Technical Team Activities

During the last quarter, the technical team continued their work in the rollout sites, including data sheet collection, data cleansing, hardware readiness checking, and system installation.

Meetings are still ongoing between MOF and the Central Bank in order to test the BPEL software and its efficiency in linking the GFMIS with other systems implemented by concerned organizations.

In addition, the help desk office handled the issues and service requests forwarded by the rollout sites as shown in Figure 3 below:

Figure 3: Status of Incidents of the Last Quarter



Change Management Team Activities

Reaching to the change management track, the duties related to batches 7, 8, and 9 were distributed evenly between the related divisions (BPR, communication, and training). The **BPR** team conducted introductory visits to the batches, prepared roles and responsibilities of the end user list, created the training needs matrix, and finalized the end user completion files for the mentioned batches.

Training was delivered to the concerned batches as per the table below:

Figure 4: Number of End Users Trained during the Last Quarter

Month	Site	Attendees		
		Total	Males	Females
May	Customs Department Lands and Survey Department Madaba RFC <i>*Some sites from batch 6 were included in the training (Continuation)</i>	77	61	16
June	Karak Ma'an Tafila Aqaba <i>*Some sites from batch 7 were included in the training (Continuation)</i>	120	97	23
July	Parliament Supreme Judge Department South Amman RFC <i>*Some sites from batch 8 were included in the training(Continuation)</i>	70	53	17

Regarding the communication track, the team members conducted workshops for the batches 7, 8 and 9. Furthermore, the GFMS website recorded a good number of visits and website browsing. The tables below give further details of the communication track related achievements:

Figure 5: Communication Events Conducted over the Last Quarter

Month	Conducted Workshops	Attendees		
		Total	Males	Females
May	Customs Department Lands and Survey Department Financial Controllers Madaba RFC	128	101	27
June	Parliament Supreme Judge Department South Amman RFC	85	68	17
July	Jordan Valley Authority Ministry of Agriculture Ministry of Public Works and Housing	38	22	16

Figure 6: GFMS Website Recordings over the last Quarter

Visits	Unique Visitors	Page Views	Average Time on Site
2,478	2,085	7,213	00:02:23

SCHEDULE OF WORK PROGRESS AGAINST PLANNED ACTIVITIES

The following table includes the scheduled activities' completion dates for all the assistance planned during the third year work period. In the comments section, tasks are listed as complete, in process, postponed, cancelled, or obviated. Obviated tasks were subsumed into other FRP II activities, or made unnecessary due to changing realities or approaches.

COMPONENT F: GFMIS TASKS AND ACHIEVEMENTS

Work Area	Planned Delivery Date	Comments
Project Management	Oct-12	In Process
Refine Project Plan	Oct-12	Complete
Monitor project plan	Oct-12	In Process
Monitor all deliverables, milestones and timelines	Oct-12	In Process
Project reporting	Oct-12	In Process
Monitor risk register	Oct-12	In Process
Manage Intracom invoices	Oct-12	In Process
GFMIS Rollout	Oct-12	In Process
"Rollout Group One (2 Ministries, 1 RFC TBD)"	Dec-11	Complete
Implementation Review/lessons learned	Dec-11	Complete
"Rollout Group Two (2 Ministries, 1 RFC TBD)"	Jan-12	Delayed
Implementation Review/lessons learned	Jan-12	In Process
"Rollout Group Three (2 Ministries, 1 RFC TBD)"	Feb-12	Complete
Implementation Review/lessons learned	Feb-12	Complete
"Rollout Group Four (2 Ministries, 1 RFC TBD)"	Mar-12	Complete
Implementation Review/lessons learned	Mar-12	Complete
"Rollout Group Five (Two Ministries, One Department)"	Apr-12	Complete
Implementation Review/lessons learned	Apr-12	Complete
"Rollout Group Six (1 Ministry, 2 Departments)"	May-12	Complete
Implementation Review/lessons learned	May-12	Complete
"Rollout Group Seven (2 Ministries, 1 RFC TBD)"	Jun-12	Complete
Implementation Review/lessons learned	Jun-12	Complete
"Rollout Group Eight (2 Ministries, 1 RFC TBD)"	Jul-12	Complete
Implementation Review/lessons learned	Jul-12	Complete
"Rollout Group Nine (2 Ministries, 1 RFC TBD)"	Aug-12	Complete
Implementation Review/lessons learned	Aug-12	In Process

Work Area	Planned Delivery Date	Comments
"Rollout Group Ten (2 Ministries, 1 RFC TBD)"	Sep-12	In Process
Implementation Review/lessons learned	Sep-12	
"Rollout Group Eleven (2 Ministries, 1 RFC TBD)"	Oct-12	In Process
Implementation Review/lessons learned	Oct-12	
"Rollout Group Twelve (2 Ministries, 1 RFC TBD)"	Nov-12	In Process
Implementation Review/lessons learned	Nov-12	
Capacity Building	Oct-12	In Process
Conduct skills assessment of all GFMIS Staff	Jan-12	Complete
Develop a capacity building plan	Jan-12	Complete
Implement capacity building plan	Oct-12	In Process
Management skills training	Feb-12	
Other training to be determined	Feb-11	In Process
Sturdy Tour		In Process
determine requirement	Aug-12	In Process
establish business case	Aug-12	In Process
establish plan	Sep-12	In Process
undertake tour	Oct-12	
GFMIS Extension	Oct-12	In Process
Establish a working committee to link GFMIS with HRMIS and Payroll projects	Oct-12	In Process
Meet monthly	Oct-12	In Process
Establish GFMIS EFT	Jun-12	In Process
Undertake requirements review	Jun-12	In Process
establish central bank GFMIS working party	Jun-12	In Process
Develop technical requirements	Jun-12	Complete
Implement EFT	May-12	In Process
GOJ Fiscal Reporting	Oct-12	In Process
As rollout is undertaken determine reporting requirements for each agency	Oct-12	Complete
Establish data warehouse	Jul-12	In Process
develop reports for each agency	Oct-12	In Process
develop GOJ fiscal reports	Oct-12	In Process

Work Area	Planned Delivery Date	Comments
Component lead technical assistance	Oct-12	
Other duties as required	Oct-12	
Reporting	Oct-12	
Monthly Reporting	Oct-12	
Quarterly Reporting	Oct-12	

ANNEX I: OUTREACH AND CAPACITY-BUILDING EVENTS

The table below summarizes FRP II formal outreach and capacity-building events that have been delivered during the last project quarter, May - July 2012.

Capacity Building

No.	Event Title	Venue	No. of Participants	Females	Type of Event	Date	Component	Target Group
1	KPIs Training Course	MoSD Meeting Room	24	10	Training Course	1 and 3 May	B - PFM	Budget, Planning, Finance, and Monitoring staff at the Ministry of Social Development
2	KPIs Training Course	MoE Meeting Room	18	6	Training Course	6 and 8 May	B - PFM	Budget, Planning, Finance, and Monitoring staff at the Ministry of Education
3	Study Tour on Single Window and Risk Management	Third Country: Amsterdam and Rotterdam in the Netherlands	7	3	Study Tour	6-11 May	D - Customs	Jordan Customs' officials and Tier 1 partner government agencies; Jordan Food and Drug Administration, Jordan Standards and Metrology Organization, and Ministry of Agriculture.
4	Service Delivery Improvement Toolkit Workshop - Customer Satisfaction	ISTD - Petra Hall	5	4	Training Course	7 May	A - ISTD	ISTD Planning and Taxpayer Services Directorates
5	KPIs Training Course	MoT Meeting Room	16	10	Training Course	7 and 9 May	B - PFM	Budget, Planning, Finance, and Monitoring staff at the Ministry of Transport
6	KAA Criteria Requirements and Radar Methodology	Landmark Hotel	39	9	Workshop/Seminar	8-9 May	D - Customs	KAA Teams
7	Sales Tax Audit Techniques and their Applications	ISTD - Hashemite Hall	19	3	Training Course	6-10 May	A - ISTD	ISTD Auditors

8	Collection: Tax Compliance - Tax Arrears	ISTD – Hashemite Hall	12	0	Training Course	12 May	A - ISTD	ISTD Head of Sections
9	Anti-fraud Awareness Training	Zarqa Chamber of Commerce	26	5	Training Course	12 May	A - ISTD	ISTD Auditors LTO
10	KPIs Training Course	MoPWH Meeting Room	21	15	Training Course	13 and 15 May	B - PFM	Budget, Planning, Finance, and Monitoring staff at the Ministry of Public Works and Housing
11	KPIs Training Course	MoHE Meeting Room	23	12	Training Course	14 and 16 May	B - PFM	Budget, Planning, Finance, and Monitoring staff at the Ministry of Higher Education
12	Service Delivery Improvement Toolkit - Training Needs Assessment	Abdoun Office	16	8	Workshop/Seminar	16 May	B - PFM	Audit Bureau Capacity Building Team and the Training Department
13	Collection: Tax Compliance - Tax Arrears	ISTD - Hashemite Hall	13	0	Training Course	19 May	A - ISTD	ISTD Directorate
14	Service Delivery Improvement Toolkit - Workload Analysis	Abdoun Office	19	7	Workshop/Seminar	23 May	E - ROG	Human Resources Development Managers and Organizational Development Managers
15	Macroeconomic Indicators and their Budget Applications	GBD Meeting Room	15	4	Training Course	15-19 May	B - PFM	Sector Leads, Budget Analysts, and Section Heads
16	Macroeconomic Indicators and their Budget Applications	GBD Meeting Room	22	8	Training Course	20-23 May	B - PFM	Sector Leads, Budget Analysts, and Section Heads
17	Basic Taxpayer Service Techniques	ISTD - Ahl Al Azm Hall	12	5	Training Course	22-24 May	A - ISTD	New or inexperienced Taxpayer Service employees, as well as other tax administration employees who have direct contact with taxpayers

18	An introduction to ISO 9001 requirements and improvement of audit outcomes project	Shukri Sha'sha'a Hall at the Audit Bureau	30	0	Workshop/Seminar	30 May	B - PFM	Quality Assurance Directorate, Reports Directorate, and Strategic Planning Teams of AB
19	Better Governance and Fair Taxation	Tunisia, Hotel Le Palace, Complex Cap Gammart, Tunis	1	0	Conference	30-31 May	A - ISTD	Income and Sales Tax Department, IT Directorate, and e-Services Division
20	Service Delivery Improvement Toolkit - Employee Satisfaction	ISTD - Petra Hall	10	2	Training Course	4 Jun	A - ISTD	ISTD People and Planning Directorate
21	Development of External Communication Strategy	MoF Training Center	16	3	Training Course	4-6 Jun	Cross Cutting	KAA team members who manage the external communication strategy, and employees who implement the strategy
22	Service Delivery Improvement Toolkit - Measuring Employee Performance and Linking it to Organizational Performance	ISTD - Ahl Al Azm Hall	13	5	Training Course	11 Jun	Cross Cutting	KAA Task Forces; Planning, People, and Processes
23	External Communication Strategies Based on the Principles of Social Marketing	Abdoun Office	7	2	Training Course	14-21 Jun	B - PFM	Public Relations, International Cooperation, and other assigned members from the Audit Bureau who are responsible for developing AB Communication Strategy
24	Excel and SPSS	MoF Training Center	18	7	Training Course	19-21 Jun	C - MoF	Finance and Accounting staff from counterparts; part of the Public Accounting Program (PAP)
25	Process Management	Abdoun Office	14	6	Training Course	20 Jun	B - PFM	AB Process Owners
26	Anti-fraud Awareness Training	ISTD- Hashemite Hall	19	3	Training Course	23 Jun	A - ISTD	ISTD Auditors from MTO C2

27	Employee Empowerment	Abdoun Office	19	5	Training Course	25 Jun	Cross Cutting	Mainly KAA Team Members
28	Job Descriptions	Abdoun Office	14	4	Training Course	26 Jun	Cross Cutting	KAA Team Members from GBD, ISTD, Customs, and MoF
29	Succession Planning	Abdoun Office	13	4	Training Course	27 Jun	Cross Cutting	Mainly KAA Team Members and HR Employees
30	Anti-fraud Awareness Training	ISTD - Ahl Al Azm	20	1	Training Course	30 Jun	A - ISTD	ISTD Auditors MTO Industrial
31	Anti-fraud Awareness Training	ISTD- Hashemite Hall	13	0	Training Course	7 Jul	A - ISTD	ISTD Auditors - LTO Directorate
32	ISTD & Customs Cooperative Relationship	ISTD- Hashemite Hall	12	0	Others	8 Jul	A - ISTD	ISTD and Customs
33	Event Management Training	Abdoun Office	18	7	Training Course	10-12 Jul	D - Customs	JCTC, Public Relations, and DG Office Staff
34	Governance, Risk management and Control, GRC	Audit Bureau Training Room	47	7	Training Course	15-16 Jul	B - PFM	AB Auditors and Managers
35	Event Management Training and Best Practices	Abdoun Office	19	4	Training Course	17 Jul	A - ISTD	ISTD staff
	Total Trained		610	169				

ANNEX II: PERCENTAGE OF COMPLETION OF COMPONENTS' MAIN PROJECTS AS COMPARED TO THE THIRD YEAR WORKPLAN

Component	Completion %
Component A: Tax Revenue Mobilization	56%
1. Reduce cost of compliance	38%
2. Tax policy	62%
3. Taxpayer media and communication	73%
4. Taxpayer service	47%
5. Reduce non-filers and stop-filers	27%
6. Reduce tax arrears	43%
7. Anti-fraud	26%
8. Information technology	83%
9. Human resources	51%
10. ISTD cross-cutting training	34%
11. Strengthen audit	51%
12. KAA activity	72%
Component B: Public Financial Management	56%
Subcomponent 1: ROB	67%
1. Budget reform program	59%
1.1. Performance Targeting, Reporting, and Evaluation	50%
1.1.1. Request performance information early in budget cycle	68%
1.1.2. Communicate changes	0%
1.2. Training in performance evaluation	100%
1.3. Donor collaboration	75%
1.4. Performance monitoring system	9%
1.5. Improved integration of capital budgeting	25%

2. Capacity development	69%
2.1. Budget Analysis Unit	100%
2.2. Performance evaluation training	100%
2.3. Performance evaluation study tour	90%
2.4. Performance evaluation working group	61%
2.5. Linking performance evaluation to performance audit	2%
2.6. Budget Manual	1%
2.7. Job descriptions for budget analysts	0%
2.8. KAA activity	74%
2.9. Legal framework for budgeting	46%
2.10. Public Expenditure Perspectives	100%
Subcomponent 2: Audit Bureau and PFM	43%
3. Continuous support to the Audit Bureau	75%
4. Internal financial control	0%
5. Final accounts audit and analysis report	31%
6. Performance audit	83%
7. ISO 9001 Quality Management System at the Audit Bureau	39%
8. Audit Bureau capacity building project	23%
9. IPSAS implementation	0%
10. Audit Bureau communication strategy	26%
11. Improve audit reporting	70%
Component C: MOF Capacity and Organization	58%
1. Policy advisory	75%
2. Continue capacity building efforts at SEPD	59%
2.1. Provide ad hoc advice to build analytical capabilities	68%
2.2. Continue model building efforts	28%
2.2.1. Macro-fiscal data set and model	87%
2.2.2. Build non-econometric revenue model	9%
2.2.3. Build micro-simulation model	0%
2.3. In-Country Training	100%
3. Establish and support the PPP Unit (PPPU) at the MOF	40%
3.1. Establish mandate of PPPU at MOF, including institutional setup	0%
3.2. Develop set of tools needed to analyze, evaluate, and screen PPP candidates	4%
3.3. Other objectives and activities	70%

3.4. Continue capacity building efforts with the PDD	0%
3.4.1. Update Medium Term Debt Strategy	0%
3.5. Enhance the MOF Training Center capabilities	18%
3.5.1. Building capacity of MOFTC staff	53%
3.5.2. Upgrade professional programs delivered at MOFTC	4%
3.5.3. Coordinate with other donor agencies working with MOFTC	100%
3.6. Increase the capabilities of the HR Directorate - Phase 3	32%
3.6.1 Linking job gap analysis to career paths	100%
3.6.2. Other specialized trainings	24%
3.7. KAA advisory support	36%
Component D: Customs and Trade Facilitation	55%
1. Golden List (GL)	11%
1.1. Jordan Customs (JC)	100%
1.2. Jordan Food and Drug Administration (JFDA)	6%
1.3. Jordan Standards and Metrology Organization (JSMO)	6%
2. Jordan Single Window (SW)	60%
2.1. Mid-Term Evaluation	82%
2.2. JSW Master Work Plan	100%
2.3. SW Communication and Outreach Strategy for JSW	56%
2.4. Provide technical support to SW MOUs between JC	60%
2.5. Risk Management	54%
2.6. Study Tour for SW and Fully Functional Risk Management Units	100%
3. SOP manual for pilot clearance regime	0%
4. Aqaba seaport operations and cargo handling arrangements	100%
5. Customs Broker licensing requirements	100%
6. PCA	16%
7. IT support	81%
8. KAA	87%
9. Provide technical policy and advisory support	82%
Component E: ROG	59%
1. Provide technical and policy assistance to counterparts	75%
2. Innovation Forum	25%
2.1. Conducting the Forum	32%
2.2. Adopting Innovation Forum Outcomes Initiatives	0%

3. Service Delivery Toolkit Marketing and Implementation	78%
3.1. Toolkit distribution	65%
3.2. SDI tools summaries' marketing	85%
3.3. Training Workshops on SDI Tools	79%
3.4. Implementation pilot projects	75%
4. Alleviating of Customer Service at the Department of Lands and Survey	74%
(implementation phase)	
5. National Call Center promotional campaign	100%
6. Code of Ethics promotional campaign	0%
7. Actuarial Study - Social Security Corporation	100%
8. ROG toolkit	60%
9. Innovation and Excellence (IEF)Support	58%
9.1. Ministry of Transport - Customers' feedback management and tracking system	79%
9.2. Food and Drug Administration - Management Information System	5%
for Food Laboratory Testing Results	
9.3. Social Security Corporation - Improve Customers' Service Units performance	100%
10. Public Sector customers' focus groups campaign	0%
11. Provide Technical Assistance to KACE	69%
11.1. Provide support to Government Customer Service Excellence Award Administration	100%
11.1.1. Final development of model	100%
11.1.2. GCSEA Awareness	100%
11.1.3. GCSEA Training for participating organizations	100%
11.1.4. Assessors Training	100%
11.1.5. Assessors Selection	100%
11.2. KAA Administration	81%
Select assessors for new Cycle	0%
Participating organizations awareness and training	100%
11.3. Assist KACE in becoming Recognized for Excellence (R4E)	10%
11.4. Training Support	79%
11.5. Benchmark Visit	37%
11.6. KAA Impact Assessment Study	36%

Component F: GFMIS	57%
1. Project Management	81%
2. GFMIS Implementation	79%
3. Capacity building	25%
4. GFMIS extension	45%
5. Establish GFMIS EFT	82%
6. GOJ fiscal reporting	69%
7. Component lead technical assistance	0%

Fiscal Reform II Project (FRP II)

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مشروع الإصلاح المالي ٢
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